



Missouri Gaming Commission

Annual Report to
the General Assembly
Fiscal Year 1999

Julian Seeherman,
Chairman

Robert C. Smith,
Vice-Chairman

Lynne R. Nikolaisen,
Secretary

L.G. Ullery,
Commissioner

Missouri Gaming Commission

Mission Statement

“To administer honestly, equitably and efficiently the statutes and rules and regulations that govern the riverboat gaming, bingo and horse racing industries in Missouri.”

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The Commissioners

Julian M. Seeherman, *Chairman*



Mr. Seeherman is the former Chairman of the Board of the Venture Stores. Prior to becoming Chairman of the Board, Mr. Seeherman held various top executive positions with Venture. He began his career as a retailer with Abraham & Straus, a division of Federated Department Stores, in 1951. In 1977, Mr. Seeherman joined the May Co. as President and CEO of Consumers Distributing. Mr. Seeherman currently operates a consulting business. Mr. Seeherman was inducted into the Discounting Hall of Fame in 1995. He is a recipient of the International Mass Retail Association's Partnership Award and was voted the 1991 Discounter of the Year by retail industry executives. Mr. Seeherman is currently or has served on the boards of Webster University, the Boy Scouts, Junior Achievement, Civic Progress, Jewish Community Center Association, Jewish Hospital, Greenfield Industries, Inc. and is involved in many other charitable and business organizations in the St. Louis area.

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Lynne R. Nikolaisen, *Secretary*



Lynne R. Nikolaisen is a former Regional President for Mercantile Bank NA. She began her banking career in 1980, holding various sales and management positions for the two largest banks in St. Louis. At the present time Ms. Nikolaisen is a consultant for Doncaster Clothing and also handles stock portfolio management.

Ms. Nikolaisen is currently or has been involved as a member and/or director of the RCGA, NAWBO, the Mathews-Dickey Boys Club, Outstanding Women, the Missouri Development Finance Board and the St. Louis AMC Cancer Research Board. She is also active in fundraising for various charitable and civic organizations.

Robert C. Smith, *Vice-Chairman*



Mr. Smith is a retired senior partner in the firm of Smith, Lewis, Beckett, Powell & Roark. He formerly served as a Master in Federal Court on insurance litigation. He has served as an arbitrator for the U.S. and Midwest Arbitration Associations and as a Missouri Administrative Hearing Commissioner. Mr. Smith served as a member of the Missouri House of Representatives from 1953-56, including two years as Speaker Pro-tem. He was Mayor of Columbia from 1961-63. Mr. Smith has served on numerous Missouri Bar Association boards, including the Board of Governors from 1975-79. He has served as a member of the Stephens College Board of Curators; President of Columbia Kiwanis; President of the Missouri Symphony Society; and a Member of the State Historical Society Board of Trustees. He has received the Missouri Bar Pro-bono Award; University of Missouri Alumni Faculty Award; University of Missouri Law School Citation of Merit; Outdoor Writers Association Of America Ham Brown Service Award; and is an Honorary Citizen of Fulton, Missouri.

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Major L.G. Ullery (retired)



Major Glen Ullery retired from the Missouri State Highway Patrol in 1991. After retirement, Major Ullery served as Safety Director for Crabtree-Harmon Corp. where he established and organized its safety department. Major Ullery continues to work as a safety consultant for various organizations.

During his 27-year career with the Highway Patrol, Major Ullery was instrumental in developing programs to reduce fatalities on the highways and increase safety monitoring of the public. He implemented a statewide drug interdiction program, reintroducing techniques and encouraging officers on the road to be alert to criminal activities and operations. This program has been recognized as one of the best criminal apprehension efforts in the nation.

* There is currently one vacancy on the Commission.

Message from the Chairman

I am pleased to present the Missouri Gaming Commission's Annual Report for fiscal year 1999. It is submitted to comply with the Commission's statutory reporting mandates and to provide you with a status report of the riverboat gambling, bingo and horse racing industries in Missouri.

Among the topics addressed in this year's report are an update on the state of gaming in Missouri; a summary of the status of each licensed facility; the statutorily required report on the impact Missouri's tax rate and gaming regulations have on its licensees' ability to compete with gaming operations in adjoining jurisdictions; an expanded section on the use of gaming revenue; a report on the issue of continuous boarding; an update on the Commission's programs for problem gambling; and a comprehensive history of bingo as well as an update of the status of charity gaming.

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One of the more difficult challenges that continuously faces the Commission is to effectively communicate its mission to the public. The Commission frequently finds that it is not well understood that its responsibility is to administer the statutes, rules and regulations that govern the gaming industry. While the Commission does have some latitude to set policy through the rules, the broader policy governing gaming is set by the legislature and is not within the authority of the Commission.

The issue of continuous boarding is an example of an area where the Commission can revise the rules regarding the way the gaming statute is administered. There is no statutory reference to a boarding restriction. The restriction was created by the Commission in 1994 to prevent continuously docked gaming boats from having a competitive advantage over those that cruised. During the Commission's review of this policy, it became apparent that it no longer served a legitimate purpose. A

detailed description of this process is contained in a section beginning on page 24.

Continuous boarding is an example of how the Commission must constantly review and reevaluate the rules administering the gaming statutes. However, the Commission's primary focus is to serve Missouri citizens by honestly and efficiently enforcing the gaming law and the rules and regulations. By so doing, the Commission administers a system that will produce a strong economic benefit in the form of employment, additional tax income and increased economic development. The economic development produced by this activity has not been limited to gaming operations but has involved non-gaming economic development as well.

Another principle function of the Commission is to collect gaming taxes and admission fees. I am pleased to report that in fiscal year 1999 the Commission collected \$161.6 million in state tax on gaming revenues. All of this money will be used to fund public education. In addition, the Commission collected \$40.8 million in state admission fees. The distribution formula for these funds is complex and is explained in detail beginning on page 19. Finally, the home dock cities will have received almost \$60 million to help them fund programs for public safety and improving the infrastructure of their communities.

The charge of the Commission is to give the state a clean industry, free from criminal influence. By enforcing the gaming statutes and rules, the Commission staff is able to fulfill this responsibility. I am pleased to report that the staff continues to vigorously apply these standards and whenever any evidence of crime or wrongdoing has been discovered, it has been exposed and eliminated and any responsible parties have been held accountable.

In addition, the Commission has high standards for the conduct of gaming that we expect the operators to live by. Whenever these standards are breached, stiff penalties are imposed upon all parties. The penalties include fines and suspension or revocation of licenses for the guilty parties.

Problem gambling is an issue that will always be present wherever gaming is conducted. The Commission understands its responsibility to be involved in education, treatment and prevention efforts to minimize the impact of problem gambling. The Commission continues to strive to be an innovative leader on this issue and its work in this area over the past year is explained beginning on page 28 of this report. The Commission will continue to work with the Missouri Department of Mental Health, gaming operators, communities and social organizations to provide a comprehensive program to prevent problem gambling and treat those who suffer from it.

1999 was a year of transition for the Commission and its staff. Robert L. Wolfson, who was the first Chairman of the Commission, completed his term after nearly six years of service to the Commission and the state. It was Bob's responsibility to develop the plan of how to best operate gaming in our state; to develop a plan to organize the staff; to develop the rules and regulations that would administer the gaming statutes; and to determine a selection process for licensees who would best serve the state and the communities in which they operated. We can be proud of what Bob, his original Commission, and the staff have done. Their efforts have resulted in establishing the Missouri Gaming Commission's national reputation for strict regulation and a firm but fair application of the law. All of the original Commissioners have rotated off the Commission and have left the new Commissioners a legacy that we can look up to with honor and dignity and continue to strive to maintain the high

standards they have set for all of us.

An organization is only as good as its staff can make it, and we are very fortunate to have a superb staff dedicated to their jobs and the mission of the Commission. Our Executive Director, Deputy Directors, the legal and support staff and the members of the Highway Patrol assigned to the Commission, allow us to do the kind of a job that is virtually without fault. The determination by all of them can only lead to continued success for all that lies ahead of us as these industries grow in our state.

We are extremely pleased with our record in 1999 and look forward to continually fulfilling our mission as we go forward.

Respectfully Submitted,

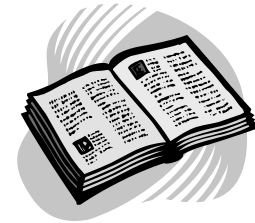


Julian Seeherman
Chairman

§ 313.837 Report on Competitiveness

Introduction

Section 313.837, RSMo. requires the Commission to report annually to the General Assembly “the status of the competitiveness of Missouri excursion gambling boats when compared to the gaming tax rate of adjoining states and the effects of the loss limits imposed by subdivision (3) of section 313.805 on the competitiveness of the gaming industry in Missouri.”



Effect of the Loss Limit on Competitiveness

The loss limit continues to be the source of the most frequent complaints of gaming patrons. Through reports from licensees and direct observations by Commission staff, it is clear that a large portion of riverboat gaming customers view the loss limit as intrusive, patronizing, frustrating, confusing and inconvenient.

Missouri operators continue to lag behind gaming operators in neighboring states with no loss limits. The shortfall exists despite expansion efforts and new property developments which have produced facilities that are larger, provide superior comfort and more non-gaming amenities than their competitors in other states. For the fifth consecutive year, the data clearly shows that the loss limit reduces customer counts and revenues for Missouri operators. The inconvenience of the loss limit results in the export of Missouri gaming customers to other states and the loss of potential gaming revenue from local gamers and tourists.



This proposition is supported not only by the chart on page 9, but also by the fact that Illinois riverboats are capturing a larger market share than that state’s population base represents. Missouri residents account for 76% of the St. Louis metropolitan area population base.¹ However, Missouri casinos in the St. Louis metropolitan area capture only 66% of the gaming revenue market.² This equates to an inequity of \$55.4 million in relation to gaming revenue and \$16.1 million in state and local taxes per year.

Furthermore, to put this data in a different perspective, it is unlikely that Illinois is capturing more than its share of the tourist market because of the proximity of the Missouri properties to the airport and downtown. In addition, the Missouri properties are more lavish and offer more non-gaming amenities than their Illinois competitors. Therefore, all other things being equal, the Missouri properties seem more likely to attract tourists. If this theory is correct, it must be assumed that almost all of the \$55.4 million inequity is a direct transfer of wealth from Missouri to Illinois. Regardless of the validity of this theory, it is irrefutable that Missouri gaming facilities, although generally superior

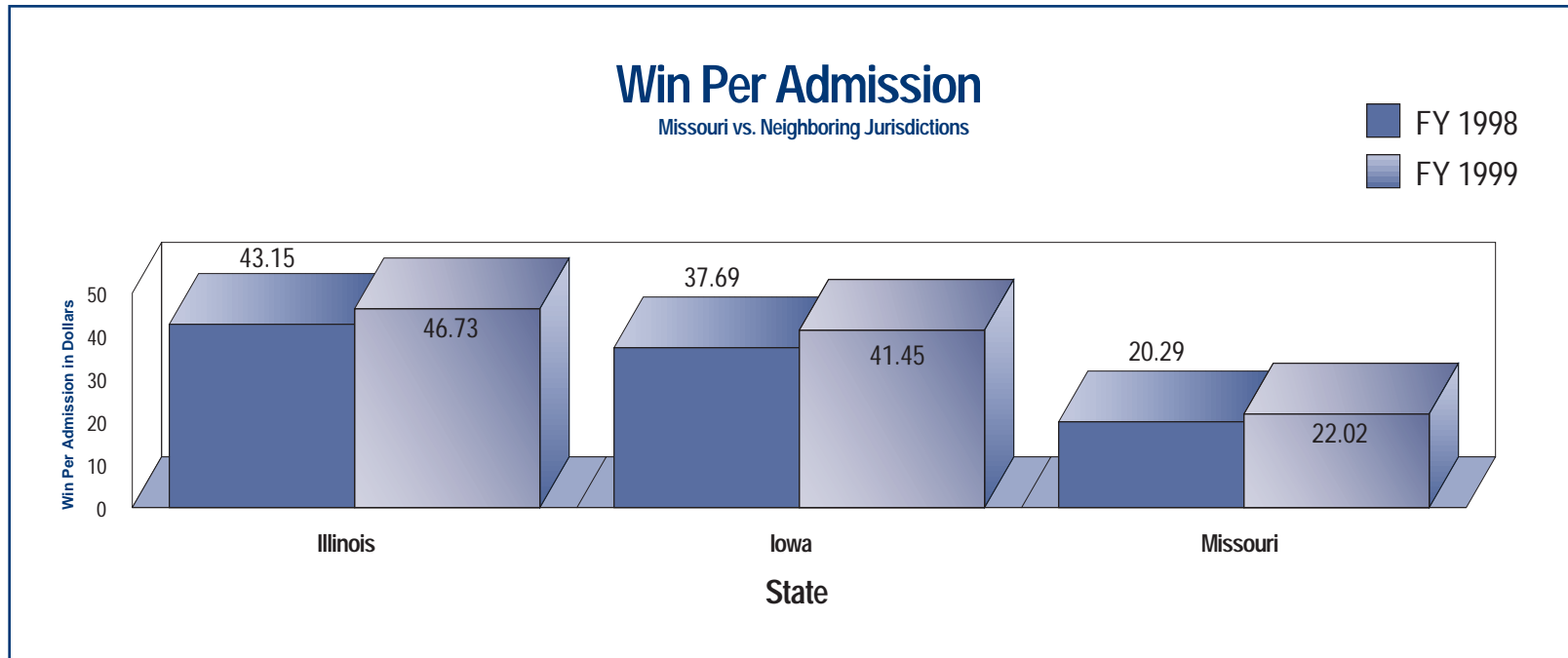
¹ Randy McNally Metropolitan Statistical Areas. January 1, 1997 estimate.

² Based on Missouri fiscal year 1999 data from the Illinois Gaming Control Board and the Missouri Gaming Commission.

in design and location, are not earning their fair share of the market.

The Commission understands that the General Assembly may have intended that Missouri gaming facilities operate at a competitive disadvantage in order to achieve a public policy objective advanced by the loss limit. If the public policy objective was to prevent patrons from becoming problem gamblers, it now seems appropriate to revisit the issue to determine if the policy is having its intended effect. As noted in the section on problem gambling later in this report, the Commission believes that further study is needed in order to determine the best method to deter, prevent and treat problem gambling.

The Commission is planning a program evaluation of its voluntary exclusion program for problem gamblers which may provide some insight into this issue. However, if the issues relating to problem gambling and the \$500 loss limit are to be fully examined, resources must be authorized to conduct a thorough study. This includes funding for research and a full time employee that administers and continually evaluates the voluntary exclusion program. The



Commission requests that the General Assembly appropriate money for such purposes consistent with the Commission's budget request that will be submitted later this year.

The above findings are intended to satisfy the Commission's statutory mandate to report annually to the General Assembly on the effects of the loss limit on the competitiveness of the gaming industry in Missouri. The enactment of any changes in policy as a result of these findings are obviously the purview of the General Assembly and the Governor.

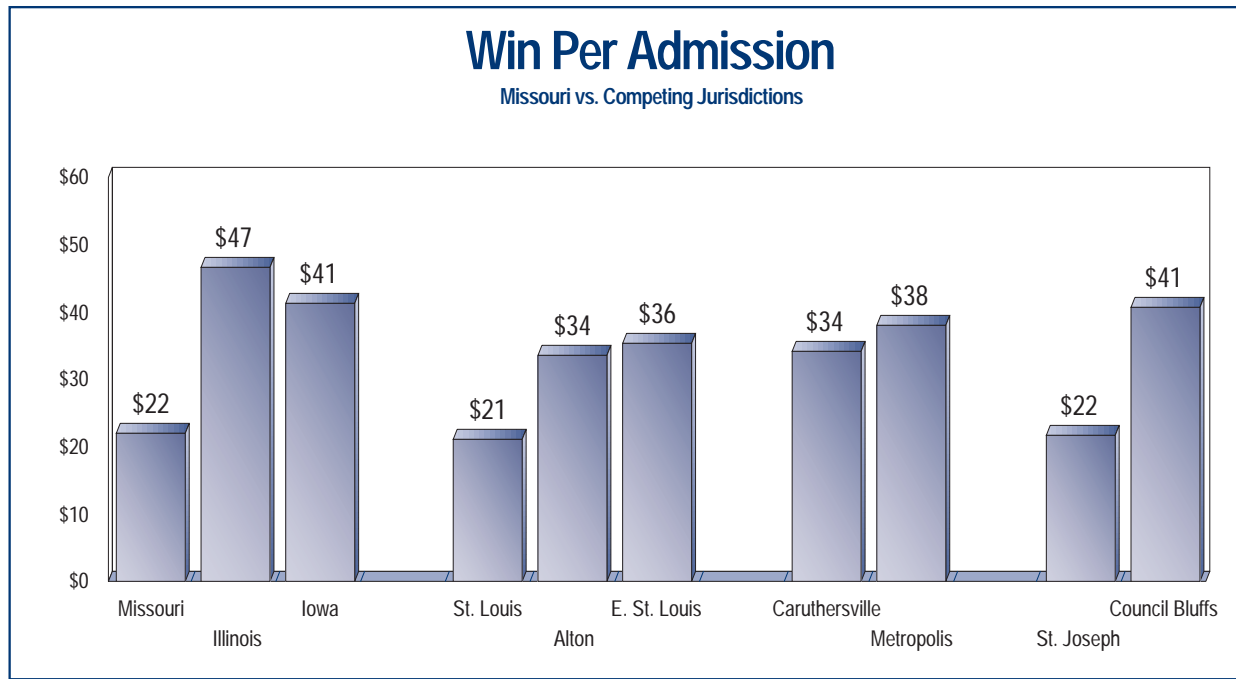
Competitive Impact of Missouri's Gaming Tax Rate

The gaming tax rates imposed on riverboat gaming operations in Missouri have not changed since the first licenses were issued in May 1994. Missouri law imposes an 18% tax on the adjusted gross receipts (AGR)³ of riverboat gaming operators. In addition, a local tax of 2% on AGR is collected by the state and distributed to each home dock city or county.⁴

The statute also imposes an admission fee on the operators of excursion gambling boats

³ Adjusted gross receipts are defined by Section 313.800, RSMo as "the gross receipts from licensed gambling games and devices less the winnings paid to wagerers." In other words, the amount the casino "wins" from patrons. It is often referred to as "casino win". The tax on AGR is set forth in Section 313.822, RSMo.

⁴ Section 313.822, RSMo.



in the amount of two dollars (\$2) per patron, per excursion, which is split between the home dock community and the state.⁵ Furthermore, pursuant to section 313.824, RSMo., excursion gambling boat operators are charged for the cost of gaming agents that are assigned to the riverboat with the responsibility of protecting the public. While the cost of Commission agents varies with each operation, the average annual cost is approximately \$578,179 per boat.

⁵ Section 313.820, RSMo.

The Overall Impact of Gaming Taxes and Fees

Riverboat gaming operators are taxed unlike any other business. The Commission's experience in responding to public information requests is that the gaming tax structure is not well understood. To put the gaming tax in perspective, consider the following example. If a gaming operator takes in \$1,000,000 in gross revenue, it must pay \$200,000 in gaming taxes.⁶ Assuming it required 50,000 admissions to accumulate \$1,000,000 in gross revenue, the operator would have to pay an additional \$100,000 in admission fees.⁷ Finally, the operator is responsible for the cost of the gaming agents assigned to that facility during the period that the \$1,000,000 is generated. Assume that the gaming agent cost is \$6,000, leaving \$694,000 in net revenue after gaming taxes, admission fees and gaming agent reimbursements. The operator must then pay all its expenses, such as outstanding debt on capital, employee salaries and benefits, utilities, marketing, local property tax, sales taxes and other business expenses related to the operation of the casino. After paying all the gaming taxes, fees and operating expenses, the casino must pay the applicable federal, state and local income taxes like any other business.

⁶ In this example, gross revenue is the same as AGR described in footnote 3 on page 10. It is the amount the casino "wins" from its patrons.

⁷ While a gaming operator may charge patrons for admission, it is not required by law. The casino is assessed \$2 per admission regardless as to whether it charges patrons for admission. In Missouri, most operators do not charge for admission.



Comparing the Missouri Tax Rate to Other Jurisdictions

Until recently, Missouri's gaming tax was structured almost identically to Illinois, the state that hosts its principal competitors. The Missouri tax rate is significantly higher than the Iowa rate and is difficult to compare to casino operations at Indian reservations in Kansas because revenue figures are not available and no taxes are assessed. The Missouri tax structure was originally patterned after the Illinois system. However, recent legislative changes have been enacted in Illinois that now significantly distinguish its tax rates from Missouri's.

Furthermore, the addition of more Indian casinos in Kansas has increased competition in the Kansas City and St. Joseph markets. While the Kansas Indian casinos face a disadvantage because of their less convenient locations, the fact that they pay no state taxes and do not have loss limits provide them with a tremendous advantage over their Missouri competitors.⁸ In addition, Indian tribes are attempting to secure permission to open casinos in Miami County,

⁸ Indian casinos are not regulated by any independent agency. Therefore, Indian casino operators do not have to pay for the cost of regulation, which is significant.

Kansas and at the Woodlands racing facility in Kansas. Both of these proposed sites have close proximity to casino operators in the Kansas City area and would have a substantial and immediate impact on jobs and state revenue.

Illinois Legislative Changes

During the past two legislative sessions, the Illinois legislature has enacted major changes to the riverboat gaming tax structure. In 1998, the flat 20% tax on adjusted gross receipts was abandoned in favor of a progressive scale ranging from 15% to 35% of gross revenue.⁹ In 1999, the legislature eliminated the stayover admission fee along with the cruising requirement.¹⁰ Illinois chose not to continue collecting stayover fees by eliminating phantom cruises similar to those conducted in Missouri, electing instead to assess only one \$2 fee per patron rather than a \$2 fee for each two hour “cruise”.¹¹

⁹ Illinois P.A. 90-548, 1998. The scale imposes a tax of 15% on AGR up to \$25 million; 20% between \$25 and \$50 million; 25% between \$50 and \$75 million; 30% between \$75 and \$100 million; and 35% over \$100 million.

¹⁰ SB 1017, Illinois General Assembly, 1999.

¹¹ Id.

Effective Gaming Tax Rate

States that have legalized gaming have devised a variety of different taxes, fees and assessments that apply to casino operators. In addition, varying regulatory policies have a significant impact on the amount of revenue a casino operator generates. In order to compare the effects of such policy decisions, industry analysts and those who research public policy issues related to gaming have devised a simple formula to compare the public costs paid by gaming operators in various states. Commonly referred to as the “effective tax rate” the formula is simply the total of all gaming taxes, fees and assessments as a percentage of gross revenue.¹²

¹² The formula does not include taxes and fees that are not unique to the gaming industry. Therefore, such things as state income or sales tax are not included.

The effective tax rate is a helpful tool on at least two levels. First, it consolidates into one number all gaming taxes, fees and assessments that casino operators are required to pay. These expenses are typically separated in public report tables and it becomes difficult to evaluate the total costs being paid by a casino operator in order to maintain the privilege of being licensed. In addition, assessments against a licensee for various regulatory activities are often not reflected in the revenue reports that are distributed by the states.¹³ However, these costs can be significant and must be considered in evaluating the effect of taxes and regulations on the economic impact of gaming.

¹³ For instance, Section 313.824, RSMo. requires that the riverboat gambling operators reimburse the Commission for the full cost of the staff necessary to protect the public. Last year this resulted in an average annual cost of \$578,179 per licensee. However, these costs are not included in the revenue report issued by the Commission.

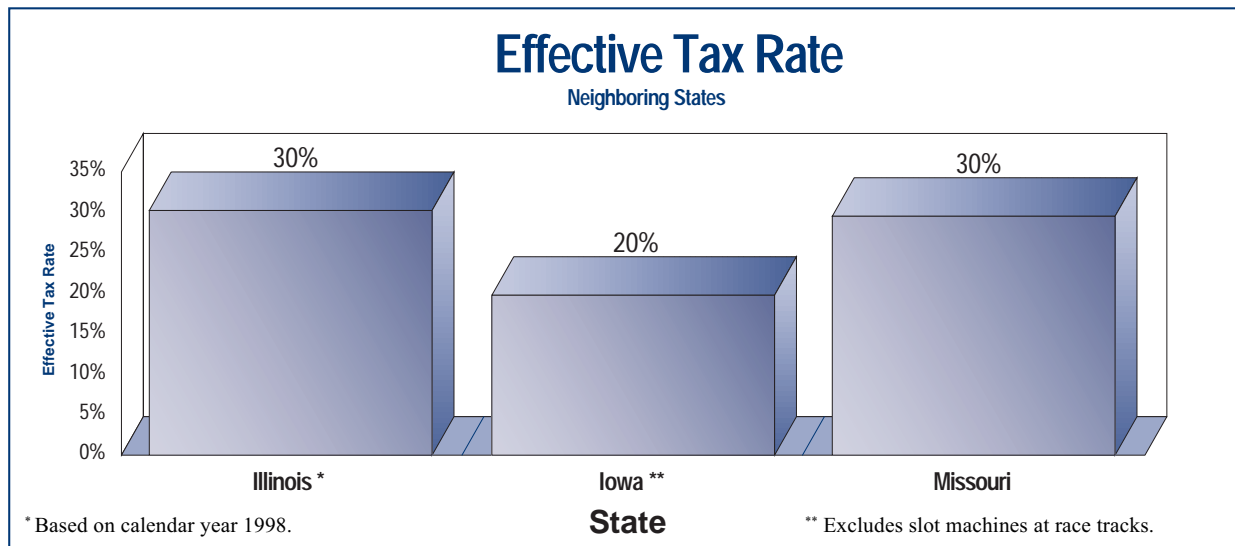
The effective tax rate is instructive in comparing the impact of varying state regulatory schemes on gaming revenues. When regulations limit the amount of revenue that a gaming

facility can generate, it will be reflected in the effective tax rate. Naturally, there are some instances, such as the \$500 loss limit in Missouri or the betting limits in Colorado or South Dakota, where the policy objective is intended to reduce revenue. In such cases, the effective tax rate is a useful tool in analyzing the cost of those policy objectives.

The effective tax rate is also a good indicator for evaluating many ramifications of tax policy. For instance, a good case can be made that graduated tax rates on gross casino revenue act as a deterrent to capital investment. When a company decides to commit additional capital to a casino property, it naturally expects to generate additional revenue to earn a reasonable return on its investment. However, if tax rates are graduated up, the casino company must consider the fact that any new injection of capital must generate substantially higher return than existing capital in order to cover the cost of the higher tax rate. The higher taxes will be reflected in the company's effective tax rate. While other market forces such as the quality of the operation, access to the property and demographics must be considered, the effective tax rate provides a good base comparison of state regulatory schemes.

The Competitiveness of the Missouri Tax Rate

As a result of the 1998 Illinois tax increase, Missouri's gaming tax rate on AGR is more conducive to capital investment and, in this respect, provides Missouri operators with an advan-



tage over their most direct competitor. Currently, Missouri properties generally enjoy a capital investment advantage over their Illinois competitors. The average investment of the properties in the St. Louis metropolitan area in Missouri is approximately \$125 million versus an estimated \$67.5 million in Illinois.¹⁴ The Missouri properties in the St. Louis area average 1,750 gaming positions in 52,250 square feet of gaming space as opposed to the Illinois average of 1,002 positions in 23,400 square feet. Furthermore, the Missouri properties have more non-gaming amenities than the facilities in Illinois.

However, any advantages gained through a lower AGR tax are diminished when considering that Illinois does not charge for the cost of Commission agents assigned to gaming facilities to protect the public and because of the 1999 legislative changes where the stayover admission fee was eliminated. To illustrate the impact of these changes, in Missouri fiscal year 1999, the Casino Queen and Alton Belle paid \$5,233,554 in stayover admission fees.¹⁵ These fees were eliminated on June 26, 1999, thus freeing the Illinois operators to utilize more money to make their facilities more attractive to patrons. The net result is that more Missourians are likely to spend their gambling dollar in Illinois and fewer Illini will travel to the more elaborate properties in Missouri. While the Illinois facilities will no longer be responsible for paying stayover admission fees, Missouri boats will continue to pay for stayover customers which resulted in payments from St. Louis area facilities of \$14,290,000 to state and local governments in fiscal year 1999.¹⁶

There have been no changes to the Iowa tax rate since the first Missouri gaming facilities were licensed in 1994. Because its graduated rate tops out at 20%, Iowa has a lower tax on AGR than Missouri. In addition, Iowa's admission fee is set by the Commission and designed only to cover the cost of regulation and provide some local revenue. Therefore, Iowa gaming facilities pay an average of \$1.40 less per admission than their Missouri competitors.

The Missouri tax rate is certainly one of the highest in the gaming industry. However, its structure has some inherent advantages over Illinois' and the lower tax rate in Iowa does not appear to be affecting the competitiveness of the Missouri operators. Certainly, over the long term, the fact that Kansas Indian casinos pay no tax will have an impact on western Missouri operators. Finally, because Missouri has chosen the gradual approach to licensure by waiting to introduce new gaming capacity into a market until there is some indication that it can be absorbed, the tax rate has been effectively managed by the Missouri casino licensees.

¹⁴ Because the Casino Queen is a private company, there are no officially reported capital investment figures. However, Prudential Securities estimates the investment to be \$90. Prudential Securities Investors Guide to U.S. Gaming Markets, Spring 1999 Edition, page 115.

¹⁵ Illinois Gaming Control Board reports. The Alton Belle had 921,791 stayover admissions, the Casino Queen had 1,694,986. Each stayover admission resulted in a \$2 fee, split between the host community and the state.

¹⁶ Even if a continuous boarding policy is adopted, Missouri casinos will continue to pay admission fees for stayover patrons. Statewide, stayovers accounted for \$33,891,026 in admission fees.

Where Does the Gaming Money Go?

Introduction

As the following information will demonstrate, taxes on proceeds from riverboat gambling revenues and admission fees generated by riverboat casinos have become an important source of funding for public education. However, riverboat gambling funds are not, nor will they become, a replacement for traditional sources of funding public education. This revenue serves its intended purpose, which is to provide something extra to help improve the current quality of education. This year's contribution to the foundation formula of \$157.8 million in riverboat gaming taxes is a substantial amount of money. Yet, when placed in the context of total spending on public education, it becomes clear that the gaming money, while significant, pales in comparison to general revenue and local property tax funding.

The table below compares riverboat gaming revenues to other sources of funding for the foundation formula. To further put this in perspective, one must understand that, on average, the foundation formula accounts for only about half of a school district's total operating budget. Local property taxes and federal funds supply the remaining operating capital.

**School Foundation Formula Funding
The Effect of Riverboat Gambling Funds**



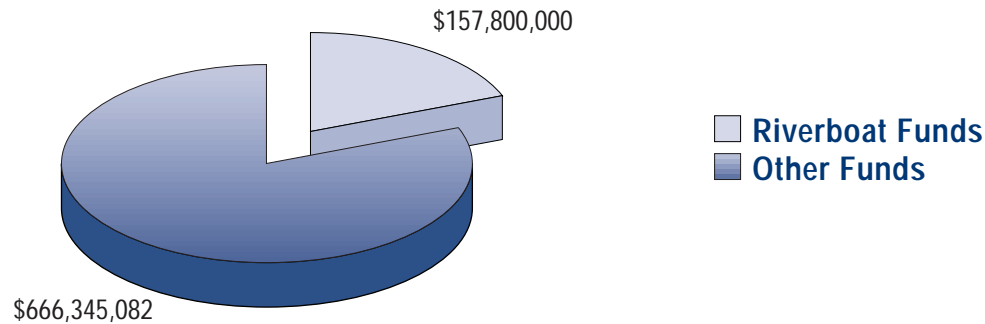
	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Total State Dollars								
Foundation Formula	\$878,525,749	\$964,768,249	\$1,056,485,706	\$1,246,104,930	\$1,431,104,930	\$1,505,856,393	\$1,560,410,960	\$1,788,913,331
Increase over FY 1993		\$86,242,500	\$177,959,957	\$367,579,181	\$552,579,181	\$627,330,644	\$681,885,211	\$910,387,582
% Increase Over FY 1993		9.82%	20.26%	41.84%	62.90%	71.41%	77.62%	103.63%
Increase Over Prior Year		\$86,242,500	\$91,717,457	\$189,619,224	\$185,000,000	\$74,751,463	\$54,554,567	\$228,502,371
% Increase Over Prior Year		9.82%	9.51%	17.95%	14.85%	5.22%	3.62%	14.64%
Increase Over Prior Year - Gaming Funds		\$0	\$0	\$50,000,000	\$71,200,000	\$16,600,000	\$0 *	\$20,000,000
% Increase Over Prior Year- Gaming Funds		0.00%	0.00%	26.37%	38.49%	22.21%	0.00%	8.75%
<i>Source: Office of Administration, Division of Budget and Planning</i>								

* There was no increase in riverboat appropriations in FY 1999 due in large part to the fear that some facilities might be forced to close because of the *Akin v. MGC* lawsuit regarding boats in basins.

School Foundation Formula

Source of Increase
FY 95 to FY 00

Amount of Increase



The Commission does not suggest that the tax revenue from riverboat gaming is insignificant. In five years, taxes on gaming revenue and admission fees have contributed over \$725 million to the state treasury.²¹ The Missouri Constitution requires that all state tax revenue derived from the conduct of gambling be used for public education.²² Until recently, the admission fee, which is not derived from the conduct of gaming, has been used for a variety of purposes, primarily for programs benefiting the state's veterans.²³ However, because of recent legislation, the vast majority of the revenue collected from gaming facilities is now used to benefit public education, regardless as to whether it is subject to the Constitutional requirement. Perhaps most importantly, the gaming tax money helped to fund the new foundation formula adopted under Senate Bill 380 in 1995. Had the gaming money not been available to allocate to the foundation formula, the state would have to try to find other funds to replace it. This, of course, would result in either a failure to fully fund the formula or funding reductions in other areas.

The remaining information in this section provides a history of how the gaming money

²¹ Source: Office of Administration, Division of Budget and Planning.

²² Constitution of Missouri, Article III, Section 39(d).

²³ The admission fee is first used to fund the regulatory activities of the Commission. In addition, from 1994 to 1998, admission fees were used primarily to construct nursing homes for Missouri veterans. Finally, while the bulk of the admission fee is currently used for early childhood education and student loans, funds are also allocated to help fund nursing homes for veterans, the Missouri National Guard and programs for the homeless and to deter gang violence. The fee is not subject to the Constitutional requirement for gaming money because it is not derived from the conduct of gaming.

has come to be utilized. While gaming revenue has become an important component of the way Missouri funds public education, it has not eliminated the occasional need for some local school districts to ask for levy increases. Furthermore, gaming revenues do not generate enough money to replace traditional means of funding education. It has provided an important source of new revenue for education that has allowed all but the wealthiest school districts to add important resources used to educate Missourians.

Use of Funds

During the five year tenure of riverboat gaming in Missouri, the tax money generated by the casino operations has been used for a variety of purposes related to public education. At first, there was a great deal of uncertainty about the amount of revenue that gaming would generate and whether the casino properties would be successful. Prudent policy makers chose at that time to allocate the gaming revenue for capital improvement projects at the state's colleges and universities that could be delayed if the revenue projections proved to be too high.²⁴

As the industry stabilized and it became apparent that the Commission and the Division of Budget and Planning could forecast gaming tax revenue with reasonable accuracy, the legislature became more comfortable in using the funds for operational expenses. In 1995, the legislature enacted SB 301 which allocates the gaming tax revenue for the operation of public elementary and secondary schools.²⁵ According to law, the first \$7 million is used for the school bond fund with the remainder going to the school foundation formula, which distributes state funds to local public school districts.²⁶

Since gaming revenues have been dedicated to the foundation formula, year to year increases in the formula have, on average, grown substantially. For the two years prior to the injection of gaming funds into the formula, it increased approximately 10% per year. Since the introduction of gaming funds, the formula increases have been as high as 38.48%.

The incorporation of new gaming revenues into the formula become more important when one considers that built into the formula are certain categorical add-on programs that will not be funded unless the foundation formula is fully funded. These add-ons include programs for special needs students, transportation, special education, gifted students, career ladder, vocational education and early childhood development programs. Without the \$157.8 million in gaming taxes allocated to the foundation formula in FY 2000, the state would have had to cut other programs in order to fully fund the foundation formula or allow these important add-on

²⁴ In FY 95-96, over \$56.2 million was appropriated for capital improvements for Missouri's colleges and universities. Improvements included numerous library improvements including the Kirkpatrick Library at CMSU as well as much needed maintenance and renovation projects in other parts of the state such as the renovation of Eckles Hall at the University of Missouri-Columbia.

²⁵ SB 380, adopted in 1994, directed up to the first \$50 million in riverboat gaming adjusted gross receipts tax to the foundation formula. SB 301 dedicates all the revenue generated by the state tax adjusted gross receipts of riverboat gaming to the foundation formula.

²⁶ The School Bond Fund is used by the Missouri Health and Education Facilities Authority to pay the costs associated with the issuance of local school district bonds and credit enhancement.



programs to go unfunded.

Early Childhood Education

In addition to the tax revenue generated from gaming activity, the Commission also collects a \$2 admission fee for each patron attending each gaming session.²⁷ This fee is split between the home dock community and the state. The majority of the state's portion of the admission fee is used for early childhood education programs.

The Early Childhood Education and Care Fund (ECECF) was established by the legislature in 1998 through the passage of HB 1519 and 1165 and funds programs that prepare children for school prior to their enrollment in kindergarten. The programs are designed to allow more children the opportunity to enter school ready to learn. ECECF provides grants to public, private and parochial schools, to provide early childhood services to assist families in preparing their children with child care and educational arrangements that will prepare them for their formal education.

Research has shown that learning begins at birth and that early learning experiences have a decisive influence on brain development. Children who are not provided the opportunity for quality learning experiences may not develop crucial skills, which may significantly affect their ability to learn later in life. Focusing on early childhood care and education is critical as more than one-half of mothers return to work within one year of their baby's birth.

The Missouri Early Childhood program has been hailed as a model for the country. The expanded program is possible because of an additional \$58 million to be used to better prepare Missouri's children for school and to help provide care for the children of low-income working parents. Of the \$58 million in new money for early childhood programs, the majority is derived from riverboat gaming admission fees.²⁸ The new revenue allocation will provide funding for the early childhood education initiatives outlined in the blue box on the following page.

Remaining Admission Fee Use

The use of admission fees is not confined to early childhood education. The funds are also used to pay for the cost of regulating the gaming industry; to deter gang violence and aid the homeless; to construct, renovate and maintain nursing homes for Missouri veterans; to aid the Missouri National Guard Trust Fund; and to pay for the cost of issuing college student loans.²⁹

²⁷ Section 313.820, RSMo.



²⁸ The breakdown of funds is as follows: \$29.2 million from gaming revenue; \$10.5 million from general revenue; and \$18.2 million from federal funds.

²⁹ Section 313.835, RSMo.

Early Childhood Education

In 1998, the General Assembly enacted the Early Childhood Education and Care Fund through the passage of HB 1519 and 1165. The act funds programs that prepare children for school prior to their enrollment in kindergarten. The following list summarizes some of the programs that are designed to better prepare Missouri's children to succeed in school.



- Ö \$8.7 million to expand child care subsidies to 3,500 additional low-income working families, bringing the total number of children receiving services to 52,740 each month.
- Ö \$6.5 million to increase fees paid to child care providers to improve access for low-income families.
- Ö \$3.3 million to increase the child care reimbursement rate paid to accredited facilities by 20 percent.
- Ö \$27.9 million for grants to schools and other agencies to expand or start early childhood programs. The programs include: \$22.9 million for Jump Start grants to schools and community partnerships to promote quality early childhood care and education for three- and four-year olds. Schools and community partnerships will begin new programs with startup grants of \$10,000 and expand or start programs at a cost of \$2,000 per child per year.
- Ö \$5.0 million to expand the Early Head Start program for 600 low-income families by providing funds to Head Start agencies that will contract with center- and home-based facilities to provide child care. The Head Start agencies will be responsible for training, technical assistance, and monitoring of the facilities.
- Ö \$891,934 to provide assistance to families and child care providers and to monitor results.
- Ö \$300,000 for grants to Community Colleges and Area Vo-Tech Schools to expand the availability of field-based Child Development Associate Certificate programs. Each year about six one-time grants of \$50,000 will be awarded for startup costs, with tuition covering the ongoing costs of the program.
- Ö \$66,500 to the State Library for the Reach Out program, which will provide libraries with resources and workshops to help child care

providers build literacy skills and enhance language development in young children. Funds will provide grants to 20 public and school libraries in rural and high-poverty areas of the state to purchase resource books and implement workshops for early childhood care and education providers.

- Ö \$4.6 million to increase state funding for the early childhood special education program, which provides services to three- to five-year old children with disabilities. These funds will expand services to an additional 222 children for a total of 6,947 children receiving services.
- Ö \$2.7 million for certificates to low-income at-home parents, allowing them access to early childhood education resources. This program will focus on children from birth to age three and families with incomes below 185 percent of the federal poverty level.
- Ö \$1.3 million for the healthy babies program. Funds will be used for a prenatal and early childhood nurse visitation program; evaluating various home visitation programs; and a public awareness campaign to educate and encourage pregnant women to seek early and regular prenatal care.
- Ö \$871,322 to improve children's health through better nutrition by providing grants to community partnerships for nutrition education and other local needs; training nutrition educators; and expanding the Farmers' Market Nutrition Program.
- Ö \$498,000 for a nurses home visitation program to reduce child abuse, unplanned subsequent pregnancies, and dependency on public assistance. The program will serve an estimated 166 low-income families.
- Ö \$400,000 to provide additional training for parent educators in the Parents as Teachers program.

Continuous Boarding

Introduction

For the past eighteen months the Commission has been studying the usefulness of the boarding restriction that the Commission imposed when the first excursion gambling boats were licensed in May 1994. The Commission's review was prompted by its reservations about the value of the boarding restriction. In addition, in January 1998, the *Joint Committee on Gaming and Wagering* recommended that the boarding restriction be revised to be consistent with the laws enacted to regulate riverboat gambling.³⁰ The Committee suggested that the revisions should ensure the public safety and provide economic benefits to the citizens of the state.

History of the Boarding Restriction

The original referendum approved by the voters in 1992 that legalized riverboat gambling, provided for both cruising and dockside riverboats.³¹ The law also required that riverboat operators pay an admission fee for each patron embarking on a cruise.³² The original law contained no provisions imposing or implying a restriction on the time during which patrons could board, whether the boat was dockside or cruising. Similarly, neither of the two constitutional amendments approved by the voters to allow riverboat gambling contained any provisions relating to a boarding restriction.

The boarding restriction is a creation of the Gaming Commission. When the Commission licensed the first two riverboat gambling operations in May 1994, it had to determine how to equitably collect the admission fees required by law. In addition, since one riverboat, the President Riverboat Casino on the *Admiral* was continuously docked, while the other, St. Charles Riverfront Station, cruised, the Commission needed to adopt boarding procedures that prevented one operator from obtaining a competitive advantage over the other. The result was a Commission ruling that the *Admiral* would have to conduct "simulated cruises" whereby boarding would be restricted during the time when passengers aboard the St. Charles riverboat would be cruising.

The first simulated cruises were imposed by order of the Commission's executive director. All riverboats were required to submit a cruise schedule, to be approved by the Commission. As required by rule, the cruises could not be less than two, nor greater than four hours in length and allowed for a reasonable time for boarding and exiting the riverboat.³³ Initially, the Commission determined that 30 minutes was a reasonable time for boarding. However, it soon became evident that large crowds and the special accommodations needed for disabled persons required additional boarding time. Therefore, in September 1994, the Commission extended the

³⁰The Committee found that "the boarding time restriction is a regulatory matter. This restriction was implemented by the Gaming Commission by policy and is not required by statute." Joint Committee on Gaming and Wagering Annual Report, 1998, page 6.

³¹ House Bill 149, TAFP, 86th General Assembly. Section 1 (7) and (9) and Section 8.5. The referendum was adopted by the voters on November 3, 1992 with 1,397,750 in favor and 839,568 opposed.

³² Id, Section 9.

³³ This issue was a primary focus of the Joint Committee on Administrative Rules' hearings on the Commission's initial rules in 1993-94. The Committee expressed strong feelings that cruise times should be no less than two hours but at no time demanded that a boarding restriction be imposed. The original rules did not contain a boarding restriction. It was added in 1995.

boarding time to 45 minutes.

The Boarding Restriction and the \$500 Loss Limit

As the Missouri experience with riverboat gambling evolved, the boarding restriction became a component of enforcing the five hundred dollar loss limit. The boarding restriction prevented patrons from leaving the gaming area after the first 45 minutes and attempting to fraudulently obtain a second loss limit card. Because patrons would not be able to enter the casino until the next cruise, it was believed that efforts to circumvent the loss limit could be reduced.³⁴

After several years of monitoring patron behavior, it has become apparent that boarding restriction is, at best, a nominally effective tool in enforcing the loss limit. Once patrons familiarize themselves with the procedures, those who are determined to circumvent the loss limit develop ways to do so. While Commission agents and casino employees identify a number of loss limit violators, these patrons often report that they have been able to circumvent the limit undetected on previous occasions. Because there is no penalty for patrons violating the loss limit, the fear of being detected is minimal.³⁵

Therefore, the Commission began investigating new methods to enforce the loss limit. In addition to staff research, the Commission conducted two public hearings on continuous boarding in April and May 1999.³⁶ During the hearings, it was asserted that new systems could be developed to enforce the loss limit while permitting patrons to board at will. In order to test the proposed systems, the Commission authorized a pilot project on continuous boarding in August 1999.

The proposed systems varied to account for the differences in the individual properties and available equipment. Advances in technology allowed some to use electronic cards, similar to debit cards or those used to access hotel rooms. These cards allow licensees to create a unique identity for each patron and track their buy-in for each gaming session. In addition, some properties have implemented systems similar to those used in amusement parks and dance clubs whereby an invisible stamp is used to identify patrons. The stamp prevents a patron from obtaining more than one buy-in card which is critical to the enforcement of the loss limit. The pilot project allows the Commission to test all these systems to determine their effectiveness in enforcing the \$500 loss limit.

The Commission has found that the time that a patron enters or reenters a casino is not

³⁴ In past years the Commission has recommended that legislation be adopted imposing a penalty on patrons that violate the loss limit. Such legislation has not advanced beyond a committee hearing. The Commission continues to advocate the adoption of such a penalty.

³⁵ A frequently used analogy for the loss limit is the old 55 mph speed limit. However, this analogy is flawed in two important ways. First, the 55 mph hour speed limit was regularly violated by a majority of drivers while the loss limit is violated by a minute percentage of casino patrons. The electronic monitoring systems have enabled the Commission to track the number of patrons that buy-in for the full \$500 during a gaming session. The number rarely rises above 2% of total patrons. The other important distinction is that when a motorist was caught violating the 55 mph speed limit, they were issued a ticket and paid a fine. There is no such penalty for violating the loss limit.

³⁶ Hearings were conducted on April 27, 1999 in St. Louis and May 5, 1999 in Kansas City. Transcripts are available.

critical to the enforcement of the loss limit. It is more important to establish procedures to prevent a patron from obtaining more than one implement needed for buy-in. While some patrons will devise ways to circumvent even the most restrictive procedures, this illustrates the deficiencies in the loss limit and the difficulties inherent in the government micro-managing consumer behavior. Think of requiring all restaurants and bars to limit customers to a specified number of drinks per two hour period. It might be laudable in theory but cumbersome and, therefore, ineffective in practice.

The Boarding Restriction's Impact on Other Regulatory Priorities

While the loss limit is an important regulatory issue, it is not the *only* regulatory requirement. One of the Commission's principal responsibilities is to ensure that gambling games are conducted in a safe environment and that only those of legal age are allowed to access the casino.

The Commission's two public hearings played an important role in reviewing the advisability of retaining the boarding restriction. The bulk of the public comment emanated from casino patrons who testified about their repugnance for the restriction which they find to be frustrating, inconvenient, patronizing and unnecessary.³⁷ Moreover, many casino employees appeared to inform the Commission that the boarding restriction made the job of fulfilling their regulatory responsibilities more difficult. These employees testified that the boarding restriction:

- Creates a bottleneck of patrons that moves progressively from the parking lot, to ticketing, to the turnstiles, to the cage.
- The unnecessary crowd creates an atmosphere where it is difficult to meet regulatory obligations.
- The bottleneck of patrons makes it more difficult to identify underage or intoxicated patrons, excluded persons and problem gamblers.
- The impatient crowd presents safety concerns, especially for elderly and disabled patrons.

The bulk of the public comment emanated from casino patrons who testified about their repugnance for the restriction which they find to be frustrating, inconvenient, patronizing and unnecessary.

³⁷ Bill Sinclair testified that "There is no logic, of course, from a customer standpoint. Believe me there's nothing less tourist friendly than someone have to make a phone call to find out if they can get on a facility and then finding out, 'well you can in an hour and half from now because you couldn't get there in time.' " Edward Corbet said that "What I want to emphasize is that an hour and twenty minutes is just too long to sit around and wait for things to happen." Kathy Franke stated that she feels "like I'm being put in a corral of cattle" waiting to get into the casino. Finally, Marly Yance testified that she wanted to "change the outdated, unnecessary and inconvenient boarding restrictions. We're not children and we shouldn't be treated that way." From Missouri Gaming Commission transcripts of public hearings on the boarding restriction.

The Commission discovered that by eliminating the boarding restriction, it could allow for a more gradual flow of casino patrons, thus making it easier to spot loss limit violations, identify underage patrons, intoxicated patrons and those who have voluntarily excluded themselves because they are problem gamblers. In addition, the elimination of the boarding restriction eliminates the troubling safety concern created by hurried patrons rushing to the casino in order to get there in time for boarding.

The Commission found little validity in the testimony of those who opposed the removal of the boarding restriction. Their testimony suggested that the Commission did not have the authority to remove the boarding restriction arguing that it was a decision for the legislature.³⁸ They also argued that it would lead to an increase in problem gambling. The Commission finds no evidence that continuous boarding will have any affect on problem gambling.³⁹

³⁸ Arguments that the Commission is acting beyond its authority, ignoring existing law or legislative intent fail in light of the fact that the Commission itself created the boarding restriction. The only expression of legislative intent is a 1998 recommendation of the Joint Committee on Gaming and Wagering that the Commission review its policy on the boarding restriction and make it consistent with state law. Since state law does not mention a boarding restriction, it seems clear that the Committee recommendation was to remove it. It should also be noted that the statutes specifically give the Commission authority “To adopt standards under which all excursion gambling boat operations shall be held...”. Section 313.805(3), RSMo. Moreover, the fact that legislative efforts to require removal of the boarding restriction have failed are as much evidence of legislative intent that it is a decision for the Commission as they are of legislative support for the boarding restriction. Finally, should the legislature disagree with the Commission’s decision on the boarding restriction, they have the power to reverse the decision by establishing rules for boarding in the gaming statute. It has previously not chosen to do so.

³⁹ Keith Spare, the Chairman of the Missouri Council on Gambling Concerns, testified at the public hearings on the boarding restriction and specifically said that he was not there to speak against removing the restriction. Instead he focused on the need for dedicated funding to treat problem gamblers and establish a prevention program. The Commission supports Mr. Spare’s comments and provides a more detailed request in the following section on problem gambling.

Problem Gambling

Missouri's unique voluntary exclusion program for problem gamblers was created in 1996 in response to a request from a citizen to be banned from the casinos because he found himself unable to control his gambling.⁴⁰ The Commission first proposed a program whereby it would require all the casinos to ban individuals who identified themselves as problem gamblers.

This proposal spawned a spirited reaction from mental health treatment professionals from around the country. The treatment professionals commented that, while they understood the Commission's good intentions, the rule as proposed did more harm than good. Their comments suggested that the only way for a problem gambler to achieve long term recovery is for them to acknowledge that they have a problem and to take personal responsibility for it. The counselors contended that the Commission, by suggesting that it could require gaming operators to keep the problem gamblers out of the casino, was allowing the problem gambler to pass their problem on to someone else. Such a belief relieves the problem gambler from taking personal responsibility for their condition.

The treatment professionals advised the Commission that such a course of action is doomed to fail because the condition is not being treated. Furthermore, they felt that the Commission was creating false hope in suggesting that it could prevent keep the problem gambler from entering the casinos. The determined gambler will always find a way to circumvent the system. The theory is backed up by a Harvard University study commissioned by the National Gambling Impact Study Commission (NGISC) found that about 1.6% of the population will suffer from pathological gambling.⁴¹ To try to identify and prevent entry of this small percentage of casino patrons is a task that is fraught with difficulty and destined for failure.

Based on the comments from the treatment professionals, the Commission revised the rule and initiated the program consistent with their advice. The program now provides the problem gambler with a mechanism to step forward, acknowledge that they have a problem and agree to take personal responsibility for it. Under the provisions of the program, the problem gambler agrees to accept the responsibility of staying out of the casinos. They agree that it is not the responsibility of the casinos or the Commission to prevent them from entering the casino. They agree that if they are discovered, they will be arrested for trespassing and will forfeit any chips, tokens and electronic gaming credits in their possession at the time of their arrest.⁴²

⁴⁰ The program is formally called the List of Disassociated Persons. The provisions of the program can be found at 11 CSR 45-17 et. seq.

⁴¹ National Gambling Impact Study Commission, Final Report.

⁴² There is currently no specific statutory provision that authorizes the Commission to require forfeiture of chips, tokens or electronic gaming credits in the possession of problem gamblers who have voluntarily banned themselves from Missouri casinos. Absent such a provision, the Attorney General has refused to pursue these cases. The General Assembly passed such a provision in HB 793 last year. However, the bill was vetoed for other reasons. The Commission urges the General Assembly to pass similar language again this year. It will provide an important deterrent for the problem gambler and will help them and their families with the recovery process.

Since the problem gambler is agreeing not to go to a casino in Missouri for the remainder of their life, it only seems fair to block efforts by the gaming companies to lure them into the casinos. The program provides this protection. The Commission requires all licensees to remove persons in the program from their direct marketing lists, thus blocking enticements such as match play coupons, free dinners or free hotel visits. The Commission also directs the casinos to deny people in the program check cashing privileges and participation in player's clubs. Finally, the Commission requires all licensees to consult the list of people in the program before paying out any jackpot of \$1200 or more.⁴³

Once a person is placed on the Disassociated Persons List they can never get off. There is no procedure for removal. The reason for this policy is that those who treat problem gamblers are nearly unanimous in their belief that it is a lifetime condition and that a person is never cured but continuously recovering.

The voluntary exclusion program is not for everyone. It is not a panacea or a quick fix for problem gamblers. The vast majority of people who suffer from problem gambling will need counseling or group therapy such as Gamblers Anonymous.⁴⁴ However, the voluntary exclusion program can be an important part of an overall recovery program. Many people find that blocking the direct marketing efforts of the casino and the consequence of being arrested for trespassing if they are discovered in a casino are helpful components of the recovery process.

The Missouri Alliance to Curb Compulsive Gambling

The Missouri Alliance to Curb Compulsive Gambling was created in 1997 to educate the public on the characteristics and dangers of problem and compulsive gambling, to refer compulsive gamblers and their families and friends to free treatment through a toll-free hotline, and to prevent underage play and promote responsible gaming. This unique partnership between public, private and nonprofit organizations consists of the Missouri Department of Mental Health (DMH), the Missouri Gaming Commission, the Missouri Lottery, the Missouri Riverboat Gaming Association and the Missouri Council on Problem Gambling Concerns.

The Alliance plays a key role in Missouri's comprehensive program to attack problem gambling.⁴⁵ It sponsors the 1-888-BETSOFF hotline which provides 24 hour assistance to problem gamblers, their families, friends and coworkers. The hotline provides referrals to self-help groups like Gamblers Anonymous or any one of more than 100 counselors that have been certified by DMH to provide treatment services to problem gamblers and their families. DMH also administers

⁴³ Internal Revenue Service form W2-G is required for any jackpot of \$1200 or more. Since this form requires the patron's social security number, the Disassociated Persons List can be referenced efficiently.

⁴⁴ Gamblers Anonymous is a nonprofit volunteer organization that helps problem gamblers to recover. To obtain more information about GA meetings in your area call 1-888-BETS OFF or go to their web site at <http://www.gamblersanonymous.org/>

⁴⁵ Keith Whyte, the Executive Director of the National Council on Problem Gambling has stated that the Missouri program is a model that all jurisdictions should emulate. In addition, during a discussion panel on voluntary exclusion programs at the National Council on Problem Gambling's 1999 annual meeting, Prof. Carl Braunlich of Purdue University, stated that the Missouri program is the most comprehensive, well thought out program he has reviewed.

a program that provides free counseling to any Missouri resident who suffers from problem gambling.

The Alliance also sponsored its first annual Missouri Responsible Gaming Education Week (RGEW) during August 2-6, 1999. The events during RGEW included two main events held in Kansas City and St. Louis where Keith Whyte, the Executive Director of the National Council on Problem Gambling served as the keynote speaker. In addition, a summary of current research on problem gambling was presented by Dr. Linda Cottler and Dr. Renee Cunningham-Williams of the psychiatry department at the Washington University of Medicine and members of the Committee on the Social and Economic Impact of Pathological Gambling.

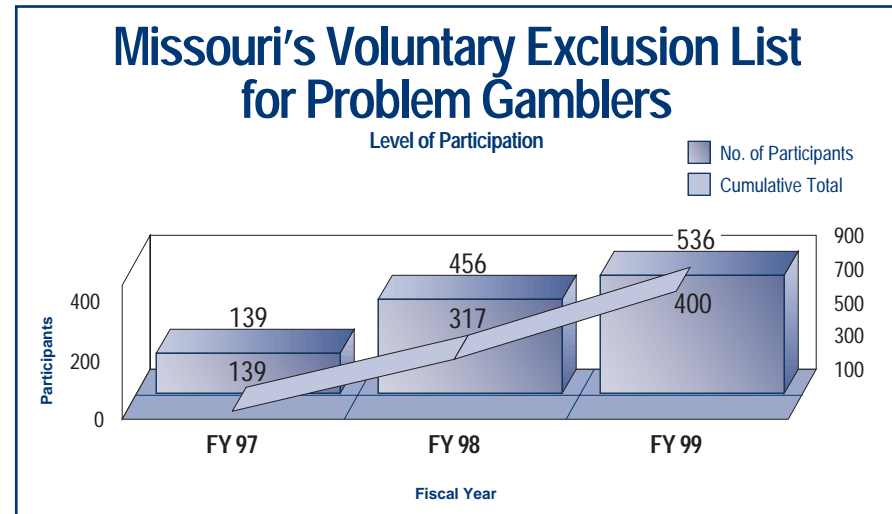
The Alliance also sponsored a number of education programs for counselors and gaming industry employees. In addition, the Alliance produced an informational video that can be used in speakers bureaus and replayed for community organizations.⁴⁶ Furthermore, problem gambling issues were featured on the Lottery Minute, which is played on more than 70 radio and television stations throughout the state.

⁴⁶ If your organization would like a copy of this video, please contact the Gaming Commission at 573-526-4080 or write to 3417 Knipp Drive, Jefferson City, MO 65109 and ask for the Responsible Gaming Education Week video.



The Need for Additional Research

Although the Missouri program to attack problem gambling is recognized as one of the best in the world, more work is needed in this area. Too little is known about problem gambling and additional research is necessary. In order to make the Alliance's education, prevention and treatment efforts as effective as possible, it needs to know more about problem gambling as a mental and/or physiological condition. Therefore, the Commission asks that the General Assembly authorize a full time employee to administer the Commission's voluntary exclusion program, perform education and outreach sessions on problem gambling and conduct in-house research to help better understand the condition and adapt the Commission's programs accordingly. In addition, the Commission requests an annual appropriation of funds that will be dedicated to research of issues related to problem gambling.



Charity Gaming - Bingo

Although the number of charity gaming licensees continued to decline in FY 1999, the decrease was much less than in previous years. It appears that the full impact of riverboat gambling and the 1993 tax increase have been absorbed and the industry stabilizing. The Bingo Division issued 659 regular bingo licenses, down only 25 from the previous year. While the number of special licenses also declined, it too was significantly less than in previous years.

An important development for charity game operators was the decision in *Association of Charitable Games v. Missouri Gaming Commission*, wherein the U.S. District Court ruled that the provision in the Missouri Constitution that restricts bingo operators from advertising is unconstitutional. Fortunately, in 1996 the legislature acted on the Commission's recommendation to amend the bingo statute to allow advertising under certain conditions should the constitutional restriction be lifted.⁴⁷ These statutory provisions will prohibit bingo operators from taking money that should be donated to charity and diverting it into questionable advertising schemes. The statute restricts bingo advertising to two percent of the total amount expended from receipts of bingo.⁴⁸

Other new developments included the introduction of Electronic Bingo Card Monitoring Devices (EBCMD) which allow players to play up to 54 cards via a small hand held device. The devices are becoming increasingly popular with players and many organizations find that the EBCMDs increase the per player revenue and brings in new players. However, the use of the devices is mainly limited to the metropolitan areas and has not been as beneficial to operators in rural areas.

The regulation limiting the number of bingo games in a single hall to five per week was eliminated effective July 1, 1999. This rule change will allow operators to lease premises at a more reasonable rate. It is also expected that the regulation will improve the quality of facilities that are available for lease. Because of the recent change in the regulation, its impact on the bingo industry will not be known until FY 2000.

The Commission continues to conduct training seminars for bingo operators throughout the state. The seminars are designed to educate bingo operators on how to comply with the standards set forth in the Missouri Constitution, the bingo statutes and the rules and regulations promulgated by the Commission. Recently, the Commission began to survey bingo operators during the seminars to solicit information regarding specific changes charities would like to

⁴⁷ H.B. Nos. 1159, 842 & 799, § A.

⁴⁸ Section 313.040(9), RSMo.

make in order to make their games more exciting for their players. Many of these requested changes will require amending existing regulations and other changes may require statutory changes. The Commission will submit the results of these surveys to the General Assembly prior to the 2000 legislative session.

The Bingo Division has recently implemented a Complaint Tracking System. This system is designed to track all complaints received and work on a priority basis. After complaints are investigated summary reports are written which help assist the Commission in determining if the conduct merits disciplinary action.

Audit and Enforcement

The audit staff completed forty-two (42) operator audit inspections and assisted the enforcement staff with an additional twenty-three (23) inspections. The charity game operator inspections were prioritized due to a high volume of complaints from players or members of charities. The comprehensive game inspection procedures have been updated to facilitate a more thorough audit/inspection and to ensure the operator's compliance with Missouri Statutes and rules and regulations.



Charity game inspections are conducted randomly or many times as a direct result of request/complaints from players or members of charities who report illegal game activity. The audit and inspection procedures are designed to limit game disruption and ensure organizations are keeping records which accurately reflect game receipts and that the operators are using their game profits for charitable purposes. The audit and enforcement sections have presented the inspection requirements during the statewide seminars in order to ensure that the charities are informed of what is required. The game inspection procedures mirror the recordkeeping requirements outlined in the game operation requirements and recordkeeping requirements in the statutes and regulations.

The Audit section has also completed audits of each of the licensed suppliers and three of the six licensed manufacturers during fiscal year 1999. Audits of licensed suppliers are crucial because of the supplier's responsibility to collect bingo taxes owed to the state. Audits of licensed manufacturers focus on their ability to track product being shipped into the state and game security.

History of Bingo in Missouri

In last year's annual report, the Commission provided a history of riverboat gambling in order to provide the General Assembly with a historical perspective of the rapid policy developments in that area. The section was well received and therefore, the Commission offers this summary of the 21 year development of bingo in the State of Missouri.

In 1980, the voters approved bingo as the first form of legal lottery since the enactment of the Missouri Constitution of 1865.⁴⁹ Missouri's first foray into legalized games of chance in over 100 years came with many restrictions attached. Bingo could only be operated by certain charitable, fraternal, religious, service or veterans organizations that had been in existence for more than five years and had at least 20 bona fide members with at least two years of service. The amount of prizes that could be given away in a single event was limited to \$3,600 and organizations were prohibited from advertising their bingo events or paying their workers. In addition, all proceeds of the game were required to be donated to charity.

⁴⁹ Constitutional Amendment No. 3 was approved by the voters on November 4, 1980 with 1,338,272 in favor and 533,458 opposed.

Despite the myriad of restrictions, charitable bingo established itself as a regular pastime for many Missourians and emerged as a significant contributor to many charitable causes. By the time the state lottery was approved in 1984, bingo operations were generating approximately \$2 million in state revenue and a great deal more for charity. The proceeds from bingo continued to grow until, in Fiscal Year 1995, revenues and the number of licensees declined dramatically. Revenues and the number of licensees have continued to decline each year since FY '95; although the decline appears to have leveled off beginning in FY '98.

The reason for the initial decline can be attributed almost exclusively to the 120% tax increase on the sale of bingo cards imposed by HB 112, passed in 1993. This new tax, which was designed to finance the construction of nursing homes for veterans, decimated many of the state's bingo games. The number of licensees declined from 970 to 852 in a single year.

The decline in the number of bingo games can also be partially attributed to a scandal that was revealed in 1992, when it was discovered that Bernard "Spanky" Black, a convicted thief, gambler and promoter of prostitution, was associated with the operation of a bingo hall in Kansas City, Kansas. It was also discovered that associates of Black, including a convicted felon, used money gained from a massage parlor to purchase a bowling alley in Missouri which it then leased to organizations to conduct bingo. One of the organizations operating at the bowling alley listed Joseph

B. King as its treasurer. King is a convicted felon and was a participant in the massage parlor and bowling alley ventures.

In order to save charitable bingo in Missouri from an onslaught of scandal and over taxation, immediate action was necessary.⁵⁰ The legislature reacted quickly by adopting SB 427, repealing the special tax for veterans homes, in the following session. The bill passed with an emergency clause and therefore the new tax was only in effect for less than six months.⁵¹ The funding for the construction of the new veterans homes was replaced by transferring the unencumbered moneys in the Gaming Commission Fund at the end of each fiscal year to the Veterans' Homes Capital Improvements Trust Fund. This is the second of four instances in the past four legislative sessions where the General Assembly has chosen to allocate unencumbered funds from the Gaming Commission fund for a purpose other than the regulation of riverboat gambling.

SB 427 also overhauled the regulatory structure for bingo by establishing new licensing requirements for manufacturers, suppliers and hall providers as well as implementing a new system of taxation that provided an audit trail of financial transactions in place of the old method of voluntary reporting. The bill established a higher burden of proof for applicants and licensees, streamlined the bookkeeping and reporting requirements for bingo organizations and placed the responsibility of collecting taxes on professional suppliers rather than volunteers serving charities.

It appears that the remedial measures in SB 427 have been successful. While bingo receipts have continued to recede, the decline has been gradual and largely attributed to the competition from riverboat gambling, not because of higher taxes or scandals involving criminal elements infiltrating bingo operations. The addition of progressive games, a decision in federal court that will permit bingo operators to advertise and the possibility of electronic card readers have given many of these charities renewed hope of survival and prosperity, despite the increased competition from riverboats and high stakes Indian bingo parlors in adjoining states.

⁵⁰ An editorial in the *Kansas City Star* on September 9, 1992, said that "Bingo for too long has been seen by the public as non-gambling. Felons linked to prostitution and massage parlors can and do find a way to profit from the games, even though they are barred by law. Bingo should be given a hard look by the next session of the General Assembly."

⁵¹ Under the provisions of HB 112, the new special tax on bingo cards did not commence until January 1, 1994. The Governor signed SB 740 into effect on May 20, 1994, thereby repealing the tax.

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Missouri Gaming Commission Fund Balance Report

Fiscal Year 1999

	AMOUNT	SUBTOTAL	TOTAL		AMOUNT	SUBTOTAL	TOTAL
BEGINNING BALANCE 7/1/98			\$37,550,937.46	Expense & Equipment			
REVENUE				Travel & Vehicle Exp.	\$258,379.73		
Fees:				Office Expense	\$79,745.56		
A & B Application	\$1,004,000.00			Office & Comm. Equip. Purchase	\$28,969.63		
Level I Occup. Application	\$20,000.00			Communications Expense	\$123,886.08		
Level II Occup. Application	\$376,375.00			Inst. & Phys. Plant Expense	\$115,827.85		
Supplier Application	\$30,000.00			Inst. & Phys. Plant Equip. Purchase	\$8,188.94		
Level I Occup. Annual Fee	\$10,214.61			Data Processing Exp. & Equip.	\$162,719.54		
Level II Occup. Annual Fee	\$631,085.37			Professional Services	\$643,768.87		
Supplier Annual Fee	\$118,630.17			Other Expense	\$42,780.09		
Level II Supplier Application	\$3,075.00			Refunds	\$18,731.94		
Level II Supplier Annual Fee	\$6,658.61			Lease Payment	\$283,213.20	\$1,766,211.43	
Admissions	\$40,689,436.02	\$42,889,474.78		Total Gaming Expenditures			\$11,825,611.57
Licenses:				EXPENDITURE - OTHER			
A & B Annual	\$425,000.00			Personal Service:			
Replacement Gaming License	\$6,495.00			DOR Salaries	\$25,188.00		
Liquor License	\$8,000.00	\$439,495.00		Attorney General Salaries	\$72,383.34		
Other:				Auditor's Office Salaries	\$4,304.15	\$101,875.49	
Administrative Income	\$4,427.10			Expense & Equipment			
Background Reimbursements	\$752,504.98			MSHP Education Incentive	\$2,651.00		
Device Testing Reimbursements	\$670,819.19			OT for Auto Technician	\$13,330.01		
Enforcement Reimbursements	\$6,364,424.77			OT for Radio Installer	\$0.00		
Interest	\$2,519,748.89	\$10,311,924.93		MSHP Gasoline	\$116,094.67		
TOTAL REVENUE			\$53,640,894.71	MSHP Auto Maintenance & Repair	\$80,517.91		
EXPENDITURE - GAMING				MSHP Vehicle Purchase	\$589,371.00		
Personal Service:				Auditor's Office Expenses	\$22,580.00		
Gaming Salaries	\$2,067,101.57			Attorney General Expenses	\$8,324.16		
MSHP Salaries	\$5,126,279.97			Div. of Youth Services	\$466,870.74		
MSHP Fringe Benefit	\$1,906,181.69			Deferred Compensation - Transfer	\$43,224.28		
Gaming Fringe Benefit - Transfer	\$959,836.91	\$10,059,400.14		Miscellaneous Transfers	\$14,964.05		
				Transfer for Article X (Hancock)	\$250,894.00		
				Transfer to Veterans CI Fund	\$38,905,493.46		
				Transfer to Mo National Guard	\$3,000,000.00		
				Transfer to Mo College Guar. Fund	\$4,462,750.72		
				Transfer to Early Childhood Fund	\$24,037,249.28		
				Total Other Expenditures		\$72,014,315.28	\$72,116,190.77
				FUND BALANCE		***	\$7,250,029.83
				*** Subject to change			

Fiscal Year 1999 Project Summary

BOAT NAME LOCATION	LICENSE DATE	FY 1999 ADMISSIONS	ADMISSION FEES	ADMISSION FEE STATE & LOCAL PORTION**	ADJUSTED GROSS RECEIPTS	GAMING TAX	GAMING TAX LOCAL PORTION	GAMING TAX STATE PORTION	ESTIMATED CAPITAL INVESTMENT***	EMPLOYEES	TABLE GAMES	ELECTRONIC GAMING DEVICES	GAMING POSITIONS	GAMING SPACE (SQ FT)
ADMIRAL	27-May-94	3,125,669	6,251,338	3,125,669	59,253,097	11,850,619	1,185,062	10,665,557	63,300,000	788	59	1,230	1,422	58,000
ST. LOUIS														
CASINO ST. CHARLES I & II	27-May-94	4,779,516	9,559,032	4,779,516	111,379,893	22,275,979	2,227,598	20,048,381	166,000,000	1,296	62	1,986	2,107	47,000
ST. CHARLES	28-Dec-94													
ARGOSY RIVERSIDE CASINO	22-Jun-94	3,425,104	6,850,208	3,425,104	77,390,591	15,478,118	1,547,812	13,930,306	87,748,690	769	39	1,064	1,173	30,000
RIVERSIDE														
ST. JO FRONTIER CASINO	24-Jun-94	924,300	1,848,600	924,300	20,105,239	4,021,048	402,105	3,618,943	25,008,000	323	18	466	519	18,000
ST. JOSEPH														
NORTH STAR & MARDI GRAS	22-Sep-94	6,515,864	13,031,728	6,515,864	169,067,703	33,813,541	3,381,354	30,432,187	172,649,000	2,095	76	2,174	2,387	61,600
NORTH KANSAS CITY	15-May-96													
CASINO AZTAR	27-Apr-95	624,945	1,249,890	624,945	21,527,134	4,305,427	430,543	3,874,884	57,849,000	419	23	634	701	10,400
CARUTHERSVILLE														
SAMS TOWN	13-Sep-95	39,299	78,598	39,299	635,836	127,167	12,717	114,450	n/a	n/a	n/a	n/a	n/a	n/a
KANSAS CITY														
FLAMINGO HILTON	18-Oct-96	3,564,558	7,129,116	3,564,558	66,211,268	13,242,254	1,324,225	11,918,028	119,800,000	856	44	1,029	1,166	30,000
KANSAS CITY														
RIVER KING & QUEEN	16-Jan-97	7,883,179	15,766,358	7,883,179	162,671,060	32,534,212	3,253,421	29,280,791	303,000,000	2,224	146	3,317	3,785	140,000
KANSAS CITY														
PLAYERS ISLAND														
KOKOMO & GRAND CAYMEN	11-Mar-97	4,716,520	9,433,040	4,716,520	96,583,305	19,316,661	1,931,666	17,384,995	134,716,323	864	48	1,586	1,697	52,000
MARYLAND HEIGHTS														
MARDI GRAS & EASY STREET	11-Mar-97	5,189,475	10,378,950	5,189,475	113,190,577	22,638,115	2,263,812	20,374,304	143,334,204	1,147	49	1,671	1,779	52,000
MARYLAND HEIGHTS														
GRAND TOTALS:		40,788,429	81,576,858	40,788,429	898,015,703	179,603,141	17,960,314	161,642,827	1,273,405,217	10,781	564	15,157	16,736	499,000

** Amount of admission fees paid to each entity.

*** Formulas used by the Licensees to arrive at total capital investment vary.

The figures published in this report are subject to adjustment.

1) Boyd Gaming closed casino operations on July 15, 1998

ADMISSION FEE SUMMARY

Fiscal Year Ended June 30, 1999

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-98	576,216.00	128,834.00	78,598.00	1,131,194.00	841,218.00	580,096.00	1,406,032.00	846,660.00	554,474.00	837,664.00	189,038.00	7,170,024.00
Aug-98	561,184.00	109,850.00		1,077,060.00	802,102.00	568,086.00	1,337,090.00	821,742.00	573,590.00	817,634.00	175,058.00	6,843,396.00
Sep-98	540,372.00	99,046.00		995,390.00	727,142.00	554,188.00	1,294,472.00	694,702.00	528,712.00	866,862.00	161,620.00	6,462,506.00
Oct-98	588,916.00	103,090.00		1,069,872.00	831,698.00	581,862.00	1,326,380.00	841,222.00	552,666.00	811,220.00	162,344.00	6,869,270.00
Nov-98	565,162.00	98,408.00		1,018,286.00	881,454.00	536,004.00	1,337,768.00	787,598.00	505,710.00	767,264.00	148,876.00	6,646,530.00
Dec-98	560,520.00	97,960.00		1,054,598.00	883,990.00	599,392.00	1,342,296.00	787,116.00	480,118.00	742,446.00	145,434.00	6,693,870.00
Jan-99	561,270.00	91,156.00		1,063,800.00	802,718.00	625,560.00	1,285,036.00	759,026.00	401,216.00	678,634.00	139,208.00	6,407,624.00
Feb-99	573,344.00	108,326.00		1,095,644.00	905,654.00	604,714.00	1,313,504.00	779,008.00	509,252.00	796,552.00	146,296.00	6,832,294.00
Mar-99	596,876.00	109,062.00		1,158,072.00	935,180.00	627,022.00	1,346,854.00	758,438.00	577,910.00	901,364.00	153,524.00	7,164,302.00
Apr-99	589,100.00	102,576.00		1,131,226.00	931,694.00	664,530.00	1,279,188.00	787,834.00	527,430.00	802,608.00	148,894.00	6,965,080.00
May-99	583,738.00	104,926.00		1,159,002.00	946,208.00	621,328.00	1,282,326.00	789,216.00	536,838.00	799,374.00	148,042.00	6,970,998.00
Jun-99	553,510.00	96,656.00		1,077,584.00	889,892.00	566,334.00	1,215,412.00	780,478.00	503,422.00	737,410.00	130,266.00	6,550,964.00
TOTAL	6,850,208.00	1,249,890.00	78,598.00	13,031,728.00	10,378,950.00	7,129,116.00	15,766,358.00	9,433,040.00	6,251,338.00	9,559,032.00	1,848,600.00	81,576,858.00

Fiscal Year Ended June 30, 1998

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-97	464,458.00	120,626.00	272,238.00	1,211,130.00	634,686.00	373,660.00	1,320,314.00	752,970.00	554,456.00	881,562.00	122,570.00	6,708,670.00
Aug-97	499,350.00	136,948.00	303,334.00	1,232,470.00	704,612.00	409,024.00	1,314,042.00	799,562.00	601,848.00	852,556.00	130,702.00	6,984,448.00
Sep-97	442,012.00	107,710.00	257,572.00	1,098,410.00	649,712.00	378,010.00	1,138,012.00	747,790.00	526,868.00	775,436.00	116,990.00	6,238,522.00
Oct-97	527,852.00	108,970.00	290,406.00	1,088,444.00	667,516.00	401,904.00	1,145,980.00	680,370.00	511,168.00	849,382.00	118,844.00	6,390,836.00
Nov-97	557,238.00	112,710.00	243,030.00	1,087,984.00	676,896.00	407,932.00	1,208,212.00	699,774.00	517,330.00	824,542.00	117,652.00	6,453,300.00
Dec-97	569,608.00	111,246.00	257,782.00	1,042,576.00	621,900.00	382,016.00	1,215,882.00	645,964.00	518,698.00	854,682.00	108,902.00	6,329,256.00
Jan-98	642,110.00	119,540.00	281,238.00	1,144,452.00	636,322.00	438,698.00	1,245,756.00	735,062.00	535,064.00	900,476.00	115,206.00	6,793,924.00
Feb-98	645,236.00	122,458.00	248,434.00	1,088,712.00	701,620.00	486,392.00	1,163,364.00	701,882.00	542,244.00	844,690.00	122,820.00	6,667,852.00
Mar-98	648,756.00	122,088.00	288,612.00	1,165,342.00	761,344.00	507,580.00	1,284,986.00	754,238.00	550,314.00	954,854.00	127,538.00	7,165,652.00
Apr-98	589,584.00	108,290.00	229,178.00	1,050,668.00	768,012.00	497,972.00	1,123,796.00	799,320.00	83,476.00	852,338.00	114,152.00	6,216,786.00
May-98	578,378.00	114,588.00	223,794.00	1,032,148.00	746,078.00	512,376.00	1,203,358.00	844,490.00	568,038.00	823,172.00	158,440.00	6,804,860.00
Jun-98	548,530.00	106,646.00	199,716.00	952,656.00	695,046.00	491,634.00	1,152,802.00	709,260.00	520,628.00	813,324.00	173,510.00	6,363,752.00
TOTAL	6,713,112.00	1,391,820.00	3,095,334.00	13,194,992.00	8,263,744.00	5,287,198.00	14,516,504.00	8,870,682.00	6,030,132.00	10,227,014.00	1,527,326.00	79,117,858.00

GAMING TAX SUMMARY

Fiscal Year Ended June 30, 1999

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-98	1,234,786.33	425,690.25	129,110.25	2,847,222.86	1,820,079.75	1,064,750.85	2,710,952.89	1,584,506.73	1,037,307.04	1,862,117.37	354,778.51	15,071,302.83
Aug-98	1,176,099.29	360,004.29		2,680,075.13	1,711,026.68	1,114,942.41	2,652,559.00	1,673,257.79	1,034,867.63	1,969,020.02	386,607.74	14,758,459.98
Sep-98	1,186,843.40	350,447.95		2,539,262.84	1,591,933.19	1,044,188.90	2,540,951.31	1,408,471.57	990,567.66	1,836,937.86	320,914.09	13,810,518.77
Oct-98	1,289,105.44	331,043.99		2,749,965.98	1,800,611.63	1,073,248.07	2,568,961.65	1,654,060.61	1,034,664.64	1,797,662.39	337,173.36	14,636,497.76
Nov-98	1,280,077.08	353,348.74		2,731,766.16	1,825,655.30	1,087,320.91	2,714,545.36	1,564,331.44	982,622.45	1,723,470.32	330,000.65	14,593,138.41
Dec-98	1,225,558.11	330,377.33		2,760,406.57	1,928,299.91	1,147,588.76	2,662,411.14	1,612,805.24	897,913.57	1,710,503.72	326,477.08	14,602,341.43
Jan-99	1,166,564.52	328,262.98		2,683,319.35	1,718,276.79	1,129,404.26	2,677,030.81	1,573,069.32	827,183.88	1,631,266.27	322,659.60	14,057,037.78
Feb-99	1,277,112.01	335,088.65		2,885,965.26	1,887,876.89	1,067,078.21	2,712,756.61	1,576,151.19	989,197.71	1,857,457.10	339,161.39	14,927,845.02
Mar-99	1,420,035.05	383,148.60		2,974,062.76	2,046,083.85	1,160,125.07	2,942,674.89	1,544,225.15	1,103,918.16	2,187,592.76	323,547.75	16,085,414.04
Apr-99	1,430,832.17	386,147.32		3,080,915.16	2,058,103.48	1,185,240.77	2,873,110.20	1,678,860.99	1,042,395.97	1,991,622.95	330,520.76	16,057,749.77
May-99	1,444,652.28	366,695.65		3,053,183.83	2,208,991.62	1,128,785.17	2,820,107.25	1,767,226.03	973,012.95	1,870,494.36	348,252.61	15,981,401.75
Jun-99	1,346,452.60	355,171.10		2,827,394.81	2,050,096.78	1,039,580.23	2,658,151.01	1,683,350.45	936,967.62	1,837,833.52	300,954.23	15,035,952.35
TOTAL	15,478,118.28	4,305,426.85	129,110.25	33,813,540.71	22,647,035.87	13,242,253.61	32,534,212.12	19,320,316.51	11,850,619.28	22,275,978.64	4,021,047.77	179,617,659.89

Fiscal Year Ended June 30, 1998

MONTH	ARGOSY	AZTAR	BOYD	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	STATE TOTAL
Jul-97	1,038,858.40	359,697.85	618,781.02	2,750,478.20	1,077,902.65	746,704.55	2,196,680.49	1,217,715.89	1,026,433.00	1,984,565.82	263,746.93	13,281,564.80
Aug-97	1,075,984.95	399,940.06	704,206.96	2,663,443.16	1,188,981.81	754,930.81	2,257,756.81	1,283,848.64	1,142,301.70	1,827,322.52	297,271.09	13,595,988.51
Sep-97	938,389.26	370,419.65	593,548.17	2,539,481.21	1,140,299.74	704,517.85	1,989,886.37	1,115,396.16	1,010,796.99	1,705,828.75	274,539.26	12,383,103.41
Oct-97	1,068,447.86	335,349.15	671,518.35	2,476,760.05	1,232,832.16	726,822.58	1,988,904.63	1,166,812.18	974,561.34	1,869,084.09	292,501.63	12,803,594.02
Nov-97	1,003,453.36	336,235.70	585,002.40	2,572,487.48	1,259,515.17	755,115.97	2,084,986.95	1,185,675.31	986,580.72	1,768,723.32	287,003.16	12,824,779.54
Dec-97	1,047,405.12	361,378.36	587,281.69	2,350,344.89	1,134,460.33	754,553.13	2,032,750.81	1,167,269.21	985,128.09	1,880,335.07	270,269.66	12,571,176.36
Jan-98	1,277,906.08	378,924.23	657,139.05	2,665,304.66	1,258,259.39	849,270.33	2,209,388.57	1,300,982.38	1,053,130.44	1,961,940.61	277,689.88	13,889,935.62
Feb-98	1,240,295.50	408,237.56	573,943.19	2,522,383.00	1,317,389.98	930,331.74	2,061,257.52	1,246,032.69	1,063,901.46	1,785,640.26	287,157.51	13,436,570.41
Mar-98	1,255,647.05	404,321.98	671,427.94	2,832,626.67	1,507,360.30	956,670.46	2,282,652.26	1,321,273.59	1,070,386.74	2,065,381.33	298,946.85	14,666,695.17
Apr-98	1,191,299.39	371,042.77	563,267.58	2,622,328.32	1,508,255.17	920,681.68	2,193,325.92	1,462,871.73	1,65,737.34	1,888,442.83	282,227.81	13,169,480.54
May-98	1,134,732.37	375,922.25	533,256.99	2,595,914.20	1,636,575.14	990,883.50	2,358,392.16	1,552,666.67	1,076,074.60	1,782,803.92	337,435.70	14,374,657.50
Jun-98	1,164,636.24	347,471.76	480,581.44	2,460,653.90	1,405,664.94	936,365.50	2,255,992.98	1,349,830.80	963,121.33	1,829,969.84	362,761.77	13,557,050.50
TOTAL	13,437,055.58	4,448,941.32	7,239,954.78	31,052,205.74	15,667,496.78	10,026,848.10	25,911,975.47	15,370,375.25	11,518,153.75	22,350,038.36	3,531,551.25	160,554,596.38

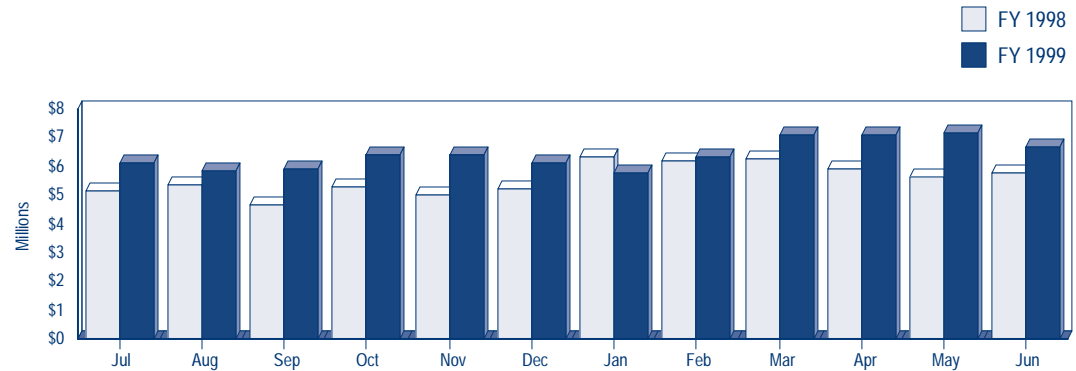
Argosy Riverside Casino

General Manager: Larry Kinser
777 NW Argosy Parkway
Riverside, Missouri 64150
(816) 741-7568

Date Licensed: June 22, 1994
Gaming Space: 30,000 Square Feet
Gaming Positions: 1,173
Electronic Gaming Devices: 769
Table Games: 39
Restaurants: 3
Meeting Space
Parking Garage

Monthly Gaming Revenue

Argosy - Riverside

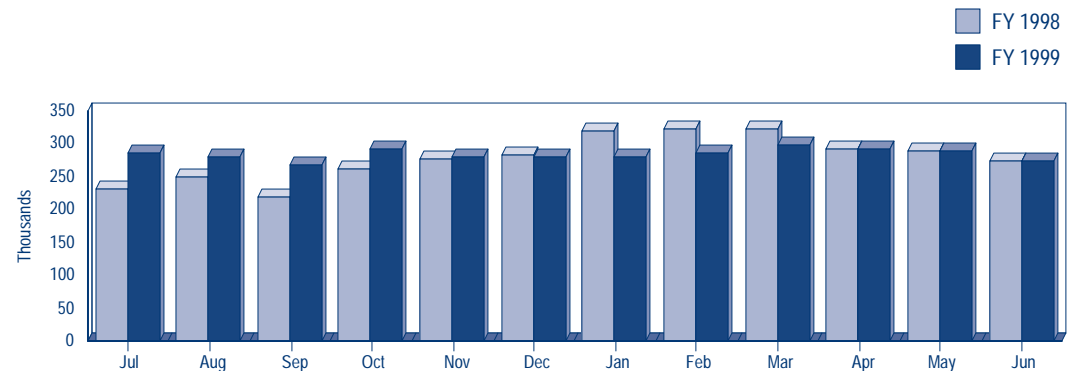


Market Analysis

Argosy posted gaming revenue of \$77 million, a 15% increase over the prior fiscal year. The results reflect a 2% increase in admissions and a 13% increase in Win Per Admissions (WPA). The increase in WPA primarily reflects more slot play per patron. Argosy's gaming revenue market share was 16% for the year.

Monthly Admissions

Argosy Riverside



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$6,173,932	\$1,055,703	17.10%	19.83%	\$5,118,229	82.90%	94.78%	288,108	\$21.43	\$782.00	\$157.53	\$168.04	\$6.86
Aug-98	\$5,880,497	\$993,820	16.90%	20.39%	\$4,886,677	83.10%	95.15%	280,592	\$20.96	\$736.16	\$150.41	\$160.05	\$6.53
Sep-98	\$5,934,217	\$1,039,106	17.51%	22.73%	\$4,895,112	82.49%	95.00%	270,186	\$21.96	\$769.71	\$150.67	\$161.51	\$6.59
Oct-98	\$6,445,527	\$1,104,745	17.14%	22.32%	\$5,340,783	82.86%	94.94%	294,458	\$21.89	\$818.33	\$164.38	\$175.43	\$7.16
Nov-98	\$6,400,385	\$1,109,949	17.34%	22.21%	\$5,290,436	82.66%	94.81%	282,581	\$22.65	\$822.18	\$162.83	\$173.24	\$7.11
Dec-98	\$6,127,790	\$896,790	14.63%	18.56%	\$5,231,001	85.37%	94.87%	280,260	\$21.86	\$664.29	\$167.94	\$170.08	\$6.81
Jan-99	\$5,832,823	\$941,124	16.13%	20.67%	\$4,891,698	83.87%	95.46%	280,635	\$20.78	\$697.13	\$166.76	\$166.90	\$6.48
Feb-99	\$6,385,560	\$1,009,053	15.80%	22.37%	\$5,376,507	84.20%	95.06%	286,672	\$22.27	\$840.88	\$170.03	\$182.14	\$7.10
Mar-99	\$7,100,175	\$1,069,253	15.06%	22.67%	\$6,030,922	84.94%	94.97%	298,438	\$23.79	\$891.04	\$187.35	\$199.61	\$7.89
Apr-99	\$7,154,161	\$1,018,763	14.24%	22.54%	\$6,135,398	85.76%	94.88%	294,550	\$24.29	\$870.74	\$190.60	\$201.98	\$7.95
May-99	\$7,223,261	\$1,034,810	14.33%	23.39%	\$6,188,451	85.67%	94.76%	291,869	\$24.75	\$884.45	\$193.15	\$204.71	\$8.03
Jun-99	\$6,732,263	\$950,059	14.11%	23.25%	\$5,782,204	85.89%	94.87%	276,755	\$24.33	\$812.02	\$181.15	\$189.36	\$7.48
TOTALS:	\$77,390,591	\$12,223,173	15.79%	21.69%	\$65,167,418	84.21%	94.96%	3,425,104	\$22.60	\$799.08	\$170.23	\$179.42	\$7.17

Fiscal Year Ended June 30, 1998

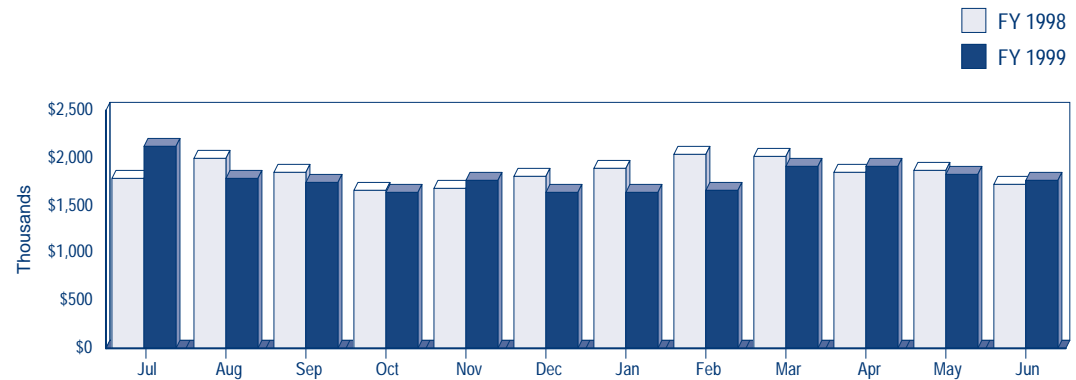
MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$5,194,292	\$1,250,539	24.08%	24.08%	\$3,943,753	75.92%	94.12%	232,229	\$22.37	\$801.63	\$134.28	\$148.11	\$5.77
Aug-97	\$5,379,925	\$1,404,517	26.11%	25.56%	\$3,975,407	73.89%	94.52%	249,675	\$21.55	\$900.33	\$135.36	\$153.41	\$5.98
Sep-97	\$4,691,946	\$1,157,264	24.66%	23.10%	\$3,534,682	75.34%	94.87%	221,006	\$21.23	\$741.84	\$120.35	\$133.79	\$5.21
Oct-97	\$5,351,741	\$1,333,638	24.92%	24.38%	\$4,018,103	75.08%	94.06%	263,926	\$20.28	\$854.90	\$136.81	\$152.60	\$5.95
Nov-97	\$5,007,765	\$1,030,105	20.57%	19.43%	\$3,977,660	79.43%	95.43%	278,619	\$17.97	\$660.32	\$135.43	\$142.79	\$5.56
Dec-97	\$5,237,026	\$1,249,075	23.85%	23.04%	\$3,987,950	76.15%	95.35%	284,804	\$18.39	\$800.69	\$135.78	\$149.33	\$5.82
Jan-98	\$6,389,530	\$1,482,965	23.21%	26.12%	\$4,906,566	76.79%	94.96%	321,055	\$19.90	\$950.62	\$167.06	\$182.19	\$7.10
Feb-98	\$6,201,477	\$1,240,486	20.00%	22.25%	\$4,960,992	80.00%	95.02%	322,618	\$19.22	\$795.18	\$168.91	\$176.83	\$6.89
Mar-98	\$6,278,235	\$1,107,522	17.64%	19.34%	\$5,170,713	82.36%	95.20%	324,378	\$19.35	\$709.95	\$176.05	\$179.02	\$6.98
Apr-98	\$5,956,497	\$1,210,306	20.32%	22.78%	\$4,746,191	79.68%	95.25%	294,792	\$20.21	\$775.84	\$161.60	\$169.85	\$6.62
May-98	\$5,673,662	\$1,137,267	20.04%	24.23%	\$4,536,394	79.96%	95.47%	289,189	\$19.62	\$729.02	\$154.46	\$161.78	\$6.30
Jun-98	\$5,823,181	\$1,128,057	19.37%	23.71%	\$4,695,124	80.63%	95.06%	274,265	\$21.23	\$723.11	\$159.86	\$166.04	\$6.47
TOTALS:	\$67,185,278	\$14,731,741	21.93%	23.15%	\$52,453,537	78.07%	95.06%	3,356,556	\$20.02	\$786.95	\$148.83	\$159.65	\$6.22

Aztar Casino - Caruthersville

General Manager: George Stadler
777 E. 3rd Street
Caruthersville, MO 63830
(314) 333-1000

Date Licensed: April 27, 1995
Gaming Space: 10,400 Square Feet
Gaming Positions: 701
Electronic Gaming Devices: 634
Table Games: 23
Restaurants: 3
RV Park
Surface Parking

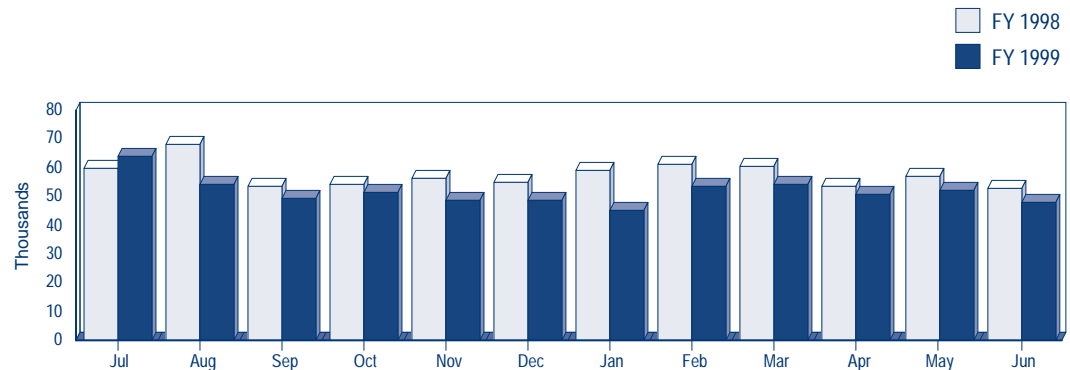
Monthly Gaming Revenue
Casino Aztar



Market Analysis

Aztar posted gaming revenue of \$21.5 million, a 3% decline over the prior fiscal year. The results reflect a 10% decline in admissions offset by a 8% increase in Win Per Admissions (WPA). The increase in WPA primarily reflects a higher slot hold percentage.

Monthly Admissions
Casino Aztar



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$2,128,451	\$552,241	25.95%	29.05%	\$1,576,210	74.05%	91.43%	64,417	\$33.04	\$836.73	\$113.36	\$130.88	\$6.82
Aug-98	\$1,800,021	\$411,392	22.85%	26.28%	\$1,388,629	77.15%	91.31%	54,925	\$32.77	\$623.32	\$100.63	\$111.32	\$5.77
Sep-98	\$1,752,240	\$354,437	20.23%	26.15%	\$1,397,803	79.77%	90.02%	49,523	\$35.38	\$537.03	\$100.78	\$107.94	\$5.62
Oct-98	\$1,655,220	\$422,292	25.51%	26.50%	\$1,232,928	74.49%	91.56%	51,545	\$32.11	\$639.84	\$89.15	\$102.19	\$5.31
Nov-98	\$1,766,744	\$450,839	25.52%	28.12%	\$1,315,905	74.48%	90.80%	49,204	\$35.91	\$683.09	\$95.15	\$109.08	\$5.66
Dec-98	\$1,651,887	\$396,787	24.02%	22.73%	\$1,255,100	75.98%	90.48%	48,980	\$33.73	\$601.19	\$90.75	\$101.99	\$5.29
Jan-99	\$1,641,315	\$488,464	29.76%	29.07%	\$1,152,851	70.24%	90.69%	45,578	\$36.01	\$740.10	\$83.36	\$101.33	\$5.26
Feb-99	\$1,675,443	\$335,269	20.01%	19.25%	\$1,340,174	79.99%	90.95%	54,163	\$30.93	\$508.01	\$96.90	\$103.44	\$5.37
Mar-99	\$1,915,743	\$435,460	22.73%	23.32%	\$1,480,283	77.27%	90.27%	54,531	\$35.13	\$659.79	\$107.03	\$118.28	\$6.14
Apr-99	\$1,930,737	\$464,690	24.07%	27.53%	\$1,466,047	75.93%	90.28%	51,288	\$37.64	\$704.83	\$106.00	\$119.20	\$6.19
May-99	\$1,833,478	\$394,685	21.53%	24.91%	\$1,438,793	78.47%	90.84%	52,463	\$34.95	\$585.83	\$106.34	\$115.12	\$5.88
Jun-99	\$1,775,856	\$411,045	23.15%	27.59%	\$1,364,811	76.85%	91.20%	48,328	\$36.75	\$594.41	\$71.76	\$84.49	\$5.69
TOTALS:	\$21,527,134	\$5,117,601	23.77%	25.83%	\$16,409,533	76.23%	90.84%	624,945	\$34.45	\$642.85	\$96.77	\$108.77	\$5.75

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$1,798,489	\$492,504	27.38%	26.95%	\$1,305,985	72.62%	92.34%	60,313	\$29.82	\$608.03	\$99.85	\$111.02	\$5.76
Aug-97	\$1,999,700	\$447,903	22.40%	22.59%	\$1,551,797	77.60%	91.84%	68,474	\$29.20	\$552.97	\$118.64	\$123.44	\$6.41
Sep-97	\$1,852,098	\$545,636	29.46%	32.60%	\$1,306,462	70.54%	91.71%	53,855	\$34.39	\$673.62	\$99.88	\$114.33	\$5.94
Oct-97	\$1,676,446	\$361,995	21.59%	20.93%	\$1,314,451	78.41%	92.11%	54,485	\$30.77	\$446.91	\$100.49	\$103.48	\$5.37
Nov-97	\$1,681,178	\$346,700	20.62%	18.91%	\$1,334,478	79.38%	91.75%	56,355	\$29.83	\$428.02	\$102.02	\$103.78	\$5.39
Dec-97	\$1,806,892	\$498,392	27.58%	26.59%	\$1,308,500	72.42%	91.81%	55,623	\$32.48	\$615.30	\$100.04	\$111.54	\$5.79
Jan-98	\$1,894,621	\$522,682	27.59%	25.78%	\$1,371,939	72.41%	91.96%	59,770	\$31.70	\$645.29	\$104.89	\$116.95	\$6.07
Feb-98	\$2,041,188	\$578,510	28.34%	28.66%	\$1,462,678	71.66%	92.16%	61,229	\$33.34	\$714.21	\$111.83	\$126.00	\$6.54
Mar-98	\$2,021,610	\$489,677	24.22%	24.88%	\$1,531,933	75.78%	91.71%	61,044	\$33.12	\$604.54	\$117.12	\$124.79	\$6.48
Apr-98	\$1,855,214	\$469,430	25.30%	27.24%	\$1,385,784	74.70%	91.26%	54,145	\$34.26	\$579.54	\$105.95	\$114.52	\$5.95
May-98	\$1,873,611	\$463,359	24.73%	26.31%	\$1,410,252	75.27%	91.37%	57,294	\$32.70	\$572.05	\$107.82	\$115.66	\$6.01
Jun-98	\$1,732,359	\$402,099	23.21%	23.83%	\$1,330,260	76.79%	91.42%	53,323	\$32.49	\$496.42	\$101.70	\$106.94	\$5.55
TOTALS:	\$22,233,407	\$5,618,887	25.27%	25.42%	\$16,614,520	74.73%	91.80%	695,910	\$31.95	\$578.07	\$105.85	\$114.37	\$5.94

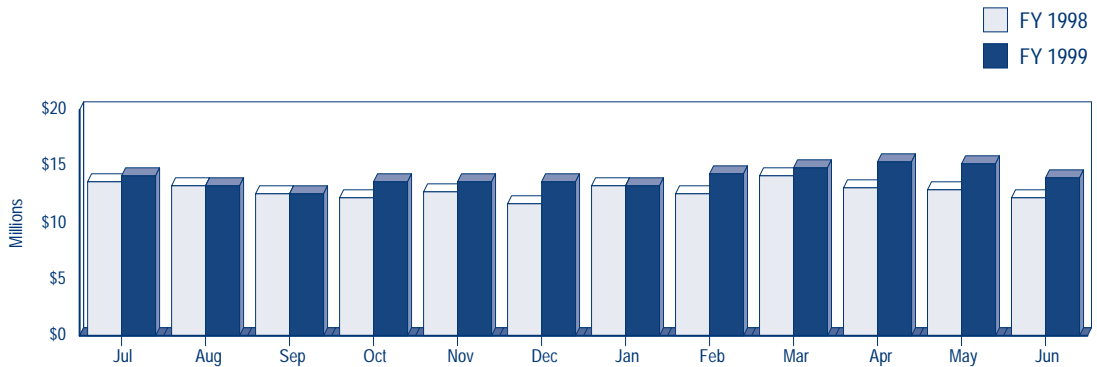
Harrah's North Kansas City

General Manager: Michael St. Pierre
One Riverboat Drive
North Kansas City, MO 64116
(816) 472-7777

Date Licensed: September 22, 1994
Gaming Space: 61,600 Square Feet
Two Casinos
Gaming Positions: 2,387
Electronic Gaming Devices: 2,174
Table Games: 76
Restaurants: 3
200 Room Hotel
Meeting Space
Surface and Garage Parking

Monthly Gaming Revenue

Harrah's North Kansas City

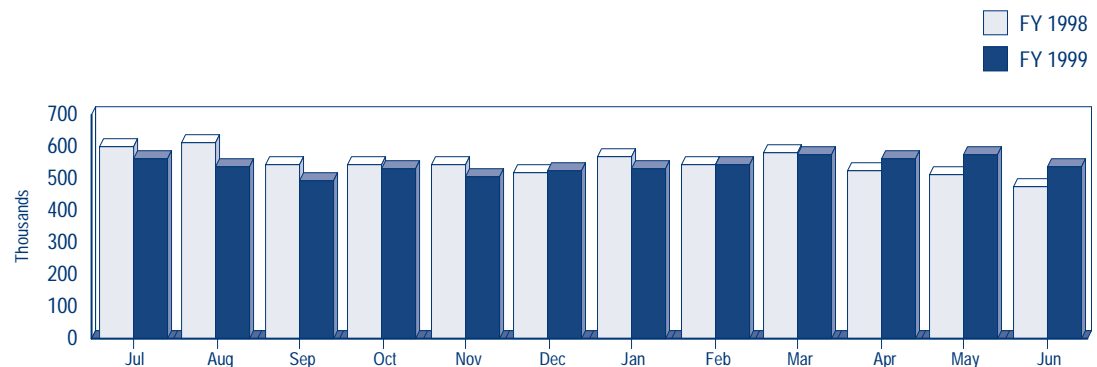


Market Analysis

Harrah's North Kansas City posted the highest gaming revenue in the state of \$169.1 million, a 9% increase over the prior fiscal year. The results reflect a 1% decline in admissions offset by a 10% increase in Win Per Admissions (WPA). The increase in WPA primarily reflects more slot play per patron. Harrah's gaming revenue market share was 36% for the year.

Monthly Admissions

Harrah's North Kansas City



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$14,236,114	\$3,147,891	22.11%	24.83%	\$11,088,223	77.89%	94.47%	565,597	\$25.17	\$1,380.65	\$174.42	\$203.04	\$7.70
Aug-98	\$13,400,376	\$2,910,839	21.72%	23.41%	\$10,489,537	78.28%	94.71%	538,530	\$24.88	\$1,276.69	\$161.50	\$187.80	\$7.25
Sep-98	\$12,696,314	\$2,688,307	21.17%	23.73%	\$10,008,007	78.83%	94.66%	497,695	\$25.51	\$1,194.80	\$153.45	\$177.70	\$6.87
Oct-98	\$13,749,830	\$3,108,323	22.61%	23.75%	\$10,641,507	77.39%	94.68%	534,936	\$25.70	\$1,381.48	\$163.09	\$192.37	\$7.44
Nov-98	\$13,658,831	\$3,267,979	23.93%	25.32%	\$10,390,851	76.07%	94.71%	509,143	\$26.83	\$1,452.44	\$159.25	\$191.10	\$7.39
Dec-98	\$13,802,033	\$3,306,469	23.96%	24.15%	\$10,495,563	76.04%	94.63%	527,299	\$26.17	\$1,489.40	\$162.90	\$195.44	\$7.47
Jan-99	\$13,416,597	\$3,120,713	23.26%	23.82%	\$10,295,883	76.74%	94.89%	531,900	\$25.22	\$1,342.24	\$156.43	\$185.06	\$7.26
Feb-99	\$14,429,826	\$3,283,142	22.75%	25.73%	\$11,146,684	77.25%	94.58%	547,822	\$26.34	\$1,459.18	\$170.91	\$201.96	\$7.81
Mar-99	\$14,870,314	\$3,103,749	20.87%	22.14%	\$11,766,565	79.13%	94.73%	579,036	\$25.68	\$1,379.44	\$180.26	\$207.98	\$8.05
Apr-99	\$15,404,576	\$3,450,888	22.40%	24.58%	\$11,953,688	77.60%	94.77%	565,613	\$27.24	\$1,533.37	\$183.11	\$215.43	\$8.34
May-99	\$15,265,919	\$3,448,046	22.59%	24.73%	\$11,817,873	77.41%	94.80%	579,501	\$26.34	\$1,532.46	\$181.03	\$213.50	\$8.26
Jun-99	\$14,136,974	\$2,941,252	20.81%	23.11%	\$11,195,722	79.19%	94.62%	538,792	\$26.24	\$1,290.02	\$171.66	\$197.45	\$7.65
TOTALS:	\$169,067,703	\$37,777,600	22.34%	24.11%	\$131,290,104	77.66%	94.69%	6,515,864	\$25.95	\$1,392.68	\$168.17	\$197.40	\$7.62

Fiscal Year Ended June 30, 1998

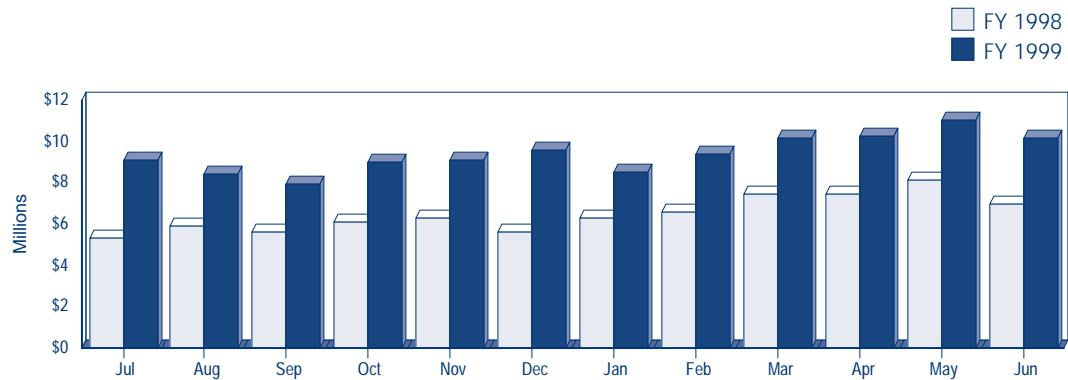
MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$13,752,391	\$3,538,989	25.73%	25.57%	\$10,213,402	74.27%	94.85%	605,565	\$22.71	\$1,355.93	\$168.62	\$199.14	\$7.44
Aug-97	\$13,317,216	\$3,377,542	25.36%	24.02%	\$9,939,674	74.64%	95.04%	616,235	\$21.61	\$1,294.08	\$164.10	\$192.84	\$7.21
Sep-97	\$12,697,406	\$3,223,109	25.38%	26.40%	\$9,474,297	74.62%	94.96%	549,205	\$23.12	\$1,234.91	\$156.42	\$183.86	\$6.87
Oct-97	\$12,383,800	\$2,888,416	23.32%	22.90%	\$9,495,385	76.68%	94.92%	544,222	\$22.76	\$1,106.67	\$156.77	\$179.32	\$6.70
Nov-97	\$12,862,437	\$3,259,892	25.34%	25.41%	\$9,602,546	74.66%	94.70%	543,992	\$23.64	\$1,249.00	\$158.54	\$186.25	\$6.96
Dec-97	\$11,751,724	\$2,965,307	25.23%	22.89%	\$8,786,418	74.77%	94.83%	521,288	\$22.54	\$1,136.13	\$145.06	\$170.17	\$6.36
Jan-98	\$13,326,523	\$3,603,370	27.04%	27.16%	\$9,723,154	72.96%	94.84%	572,226	\$23.29	\$1,380.60	\$160.53	\$192.97	\$7.21
Feb-98	\$12,611,915	\$3,039,195	24.10%	24.70%	\$9,572,720	75.90%	94.71%	544,356	\$23.17	\$1,164.44	\$158.04	\$182.62	\$6.82
Mar-98	\$14,163,133	\$3,399,780	24.00%	25.37%	\$10,763,354	76.00%	94.77%	582,671	\$24.31	\$1,302.60	\$177.70	\$205.08	\$7.66
Apr-98	\$13,111,642	\$3,074,408	23.45%	24.88%	\$10,037,233	76.55%	94.70%	525,334	\$24.96	\$1,177.93	\$165.71	\$189.86	\$7.10
May-98	\$12,979,571	\$2,930,116	22.57%	25.19%	\$10,049,455	77.43%	94.70%	516,074	\$25.15	\$1,122.65	\$165.91	\$187.95	\$7.02
Jun-98	\$12,303,270	\$2,716,150	22.08%	24.96%	\$9,587,119	77.92%	94.41%	476,328	\$25.83	\$1,040.67	\$158.28	\$178.15	\$6.66
TOTALS:	\$155,261,029	\$38,016,273	24.49%	24.95%	\$117,244,756	75.51%	94.79%	6,597,496	\$23.53	\$1,213.80	\$161.31	\$187.35	\$7.00

Harrah's Maryland Heights

General Manager: Vern Jennings
777 Casino Center Drive
Maryland Heights, MO 63146
(314) 770-8100

Date Licensed: March 11, 1997
Gaming Space: 52,000 Square Feet
Two Casinos
Gaming Positions: 1,779
Electronic Gaming Devices: 1,671
Table Games: 49
Restaurants: 4
200 Room Hotel
Meeting Space
Surface and Garage Parking

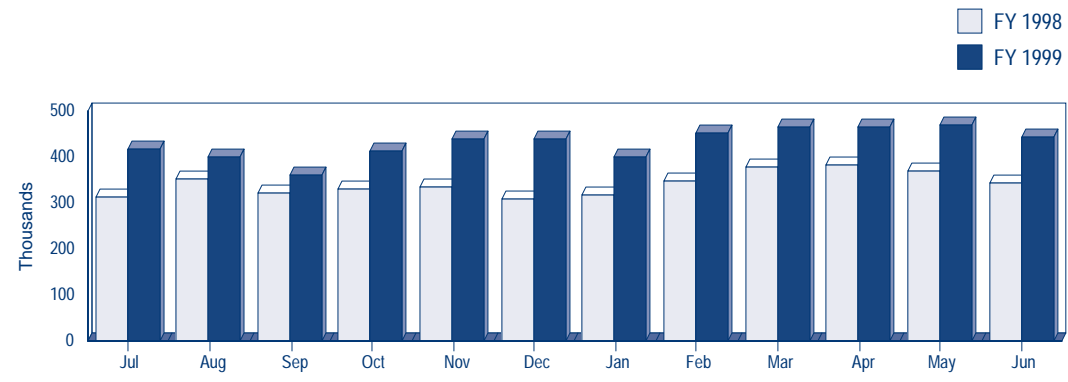
Monthly Gaming Revenue
Harrah's Maryland Heights



Market Analysis

Harrah's Maryland Heights posted gaming revenue of \$113 million, a 45% increase over the prior fiscal year, the largest percent increase in the state. The results reflect a 26% increase in admissions combined with a 15% increase in Win Per Admissions (WPA). The increase in admissions primarily reflects higher market share. Harrah's gaming revenue market share (Missouri boats only) was 30% for the fiscal year, up from 24% last year.

Monthly Admissions
Harrah's Maryland Heights



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$9,100,399	\$1,646,666	18.09%	18.73%	\$7,453,733	81.91%	94.32%	420,609	\$21.64	\$1,143.52	\$149.85	\$172.14	\$5.83
Aug-98	\$8,510,530	\$1,726,586	20.29%	20.24%	\$6,783,944	79.71%	94.74%	401,051	\$21.22	\$1,199.02	\$136.06	\$160.65	\$5.46
Sep-98	\$7,959,666	\$1,410,881	17.73%	17.93%	\$6,548,786	82.27%	94.56%	363,571	\$21.89	\$979.78	\$131.50	\$150.41	\$5.10
Oct-98	\$9,003,058	\$1,591,373	17.68%	18.20%	\$7,411,685	82.32%	94.68%	415,849	\$21.65	\$1,102.20	\$147.32	\$168.66	\$5.77
Nov-98	\$9,128,277	\$1,724,465	18.89%	18.61%	\$7,403,811	81.11%	94.72%	440,727	\$20.71	\$1,197.55	\$147.16	\$171.01	\$5.85
Dec-98	\$9,641,500	\$1,848,099	19.17%	19.41%	\$7,793,400	80.83%	94.54%	441,995	\$21.81	\$1,283.40	\$156.75	\$182.34	\$6.18
Jan-99	\$8,591,384	\$1,628,320	18.95%	18.40%	\$6,963,064	81.05%	94.95%	401,359	\$21.41	\$1,130.78	\$139.71	\$162.10	\$5.51
Feb-99	\$9,439,385	\$1,772,765	18.78%	19.56%	\$7,666,620	81.22%	94.66%	452,827	\$20.85	\$1,231.09	\$152.48	\$176.93	\$6.05
Mar-99	\$10,230,419	\$1,923,290	18.80%	19.19%	\$8,307,129	81.20%	94.67%	467,590	\$21.88	\$1,308.36	\$165.22	\$191.22	\$6.56
Apr-99	\$10,290,517	\$1,666,137	16.19%	16.65%	\$8,624,380	83.81%	94.64%	465,847	\$22.09	\$1,133.43	\$171.73	\$192.53	\$6.60
May-99	\$11,044,958	\$2,001,359	18.12%	19.50%	\$9,043,599	81.88%	94.57%	473,104	\$23.35	\$1,361.47	\$180.19	\$206.63	\$7.08
Jun-99	\$10,250,484	\$1,698,479	16.57%	17.81%	\$8,552,005	83.43%	94.49%	444,946	\$23.04	\$1,155.43	\$170.60	\$192.06	\$6.57
TOTALS:	\$113,190,577	\$20,638,420	18.23%	18.68%	\$92,552,157	81.77%	94.63%	5,189,475	\$21.81	\$1,185.50	\$154.05	\$177.22	\$6.05

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$5,352,286	\$1,350,216	25.23%	16.40%	\$4,002,070	74.77%	94.64%	317,343	\$16.87	\$703.24	\$101.29	\$115.63	\$3.43
Aug-97	\$5,982,137	\$1,607,186	26.87%	18.10%	\$4,374,950	73.13%	94.81%	352,306	\$16.98	\$837.08	\$110.73	\$129.23	\$3.83
Sep-97	\$5,701,499	\$1,534,683	26.92%	18.65%	\$4,166,816	73.08%	94.99%	324,856	\$17.55	\$799.31	\$105.46	\$123.17	\$3.65
Oct-97	\$6,164,161	\$1,725,027	27.98%	20.35%	\$4,439,133	72.02%	95.19%	333,758	\$18.47	\$898.45	\$112.35	\$133.16	\$3.95
Nov-97	\$6,297,576	\$1,901,570	30.20%	21.89%	\$4,396,006	69.80%	95.42%	338,448	\$18.61	\$990.40	\$111.26	\$136.05	\$4.04
Dec-97	\$5,672,302	\$1,481,964	26.13%	17.40%	\$4,190,338	73.87%	95.62%	310,950	\$18.24	\$771.86	\$106.06	\$122.54	\$3.64
Jan-98	\$6,291,297	\$1,687,630	26.82%	20.96%	\$4,603,667	73.18%	95.17%	318,161	\$19.77	\$878.97	\$116.52	\$135.91	\$4.03
Feb-98	\$6,586,950	\$1,646,140	24.99%	20.58%	\$4,940,809	75.01%	94.97%	350,810	\$18.78	\$857.36	\$125.05	\$142.30	\$4.22
Mar-98	\$7,536,802	\$1,804,955	23.95%	19.82%	\$5,731,846	76.05%	94.84%	380,672	\$19.80	\$940.08	\$145.07	\$162.82	\$4.83
Apr-98	\$7,541,276	\$1,853,407	24.58%	20.94%	\$5,687,869	75.42%	95.14%	384,006	\$19.64	\$965.32	\$143.96	\$162.91	\$4.83
May-98	\$8,182,876	\$1,702,938	20.81%	19.94%	\$6,479,937	79.19%	94.60%	373,039	\$21.94	\$886.95	\$164.01	\$176.77	\$5.25
Jun-98	\$7,028,325	\$1,508,544	21.46%	19.08%	\$5,519,781	78.54%	94.99%	347,523	\$20.22	\$785.70	\$139.71	\$151.83	\$4.51
TOTALS:	\$78,337,484	\$19,804,261	25.28%	19.52%	\$58,533,223	74.72%	95.03%	4,131,872	\$18.96	\$859.56	\$123.46	\$141.03	\$4.18

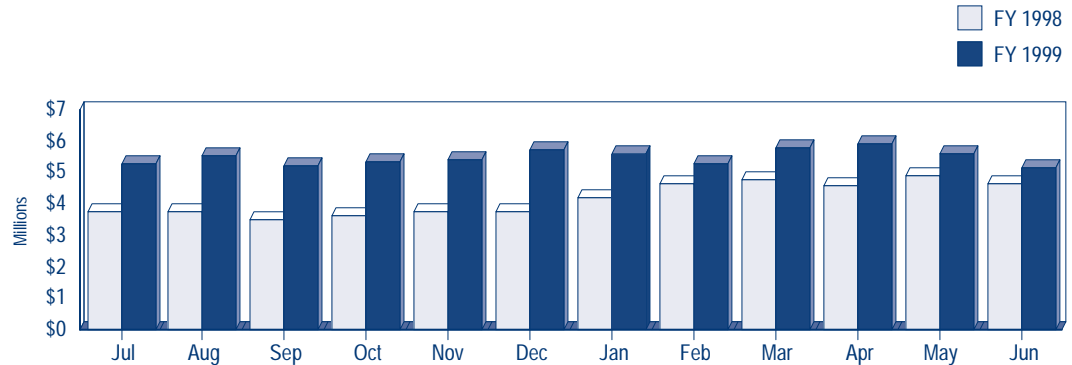
Hilton - Kansas City

General Manager: Dave Miller
1800 E. Front Street
Kansas City, MO 64120
(816) 855-7777

Date Licensed: October 18, 1996
Gaming Space: 30,000 Square Feet
Gaming Positions: 1,166
Electronic Gaming Devices: 1,029
Table Games: 44
Restaurants: 3
Surface and Garage Parking
Riverfront Park

Monthly Gaming Revenue

Hilton - Kansas City

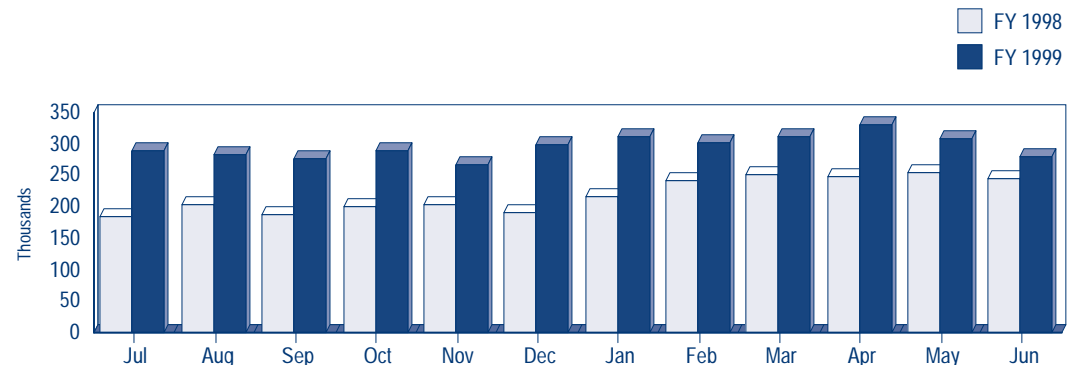


Market Analysis

Hilton posted substantially higher gaming revenue of \$66.2 million, a 32% increase over the prior fiscal year. The results reflect a 35% increase in admissions. The increase in admissions is partly due to the Boyd closure. Hilton's WPA was the lowest in the market at \$18.57. Their gaming revenue market share was 14% for the year.

Monthly Admissions

Hilton - Kansas City



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$5,323,754	\$1,305,043	24.51%	22.77%	\$4,018,711	75.49%	94.52%	290,048	\$18.35	\$906.28	\$132.63	\$151.80	\$5.92
Aug-98	\$5,574,712	\$1,312,796	23.55%	22.87%	\$4,261,916	76.45%	94.11%	284,043	\$19.63	\$911.66	\$140.66	\$158.96	\$6.19
Sep-98	\$5,220,944	\$1,263,067	24.19%	23.39%	\$3,957,878	75.81%	94.36%	277,094	\$18.84	\$877.13	\$128.71	\$147.03	\$5.80
Oct-98	\$5,366,240	\$1,120,628	20.88%	19.08%	\$4,245,613	79.12%	94.40%	290,931	\$18.45	\$778.21	\$138.88	\$151.96	\$5.96
Nov-98	\$5,436,605	\$1,251,187	23.01%	22.68%	\$4,185,418	76.99%	94.31%	268,002	\$20.29	\$868.88	\$136.91	\$154.53	\$6.04
Dec-98	\$5,737,944	\$1,350,544	23.54%	23.98%	\$4,387,400	76.46%	94.22%	299,696	\$19.15	\$900.36	\$143.52	\$161.12	\$6.38
Jan-99	\$5,647,021	\$1,414,591	25.05%	26.02%	\$4,232,430	74.95%	94.50%	312,780	\$18.05	\$943.06	\$138.45	\$158.57	\$6.27
Feb-99	\$5,335,391	\$1,200,546	22.50%	23.42%	\$4,134,845	77.50%	94.51%	302,357	\$17.65	\$800.36	\$135.26	\$149.82	\$5.93
Mar-99	\$5,800,625	\$1,228,368	21.18%	22.10%	\$4,572,258	78.82%	94.25%	313,511	\$18.50	\$818.91	\$148.40	\$161.77	\$6.45
Apr-99	\$5,926,204	\$1,265,496	21.35%	22.59%	\$4,660,708	78.65%	94.52%	332,265	\$17.84	\$843.66	\$151.27	\$165.40	\$6.58
May-99	\$5,643,926	\$1,142,083	20.24%	21.36%	\$4,501,843	79.76%	94.46%	310,664	\$18.17	\$865.22	\$145.83	\$161.33	\$6.27
Jun-99	\$5,197,901	\$1,098,049	21.12%	22.50%	\$4,099,853	78.88%	94.63%	283,167	\$18.36	\$831.86	\$132.81	\$148.58	\$5.78
TOTALS:	\$66,211,268	\$14,952,395	22.58%	22.71%	\$51,258,873	77.42%	94.40%	3,564,558	\$18.57	\$862.13	\$139.44	\$155.91	\$6.13

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$3,765,065	\$1,094,240	29.06%	27.28%	\$2,670,826	70.94%	93.82%	186,830	\$20.15	\$729.49	\$87.03	\$105.29	\$4.18
Aug-97	\$3,774,654	\$1,045,077	27.69%	24.58%	\$2,729,577	72.31%	94.16%	204,512	\$18.46	\$696.72	\$88.94	\$105.56	\$4.19
Sep-97	\$3,522,589	\$1,008,228	28.62%	25.51%	\$2,514,362	71.38%	94.19%	189,005	\$18.64	\$672.15	\$81.93	\$98.51	\$3.91
Oct-97	\$3,634,113	\$936,782	25.78%	21.80%	\$2,697,330	74.22%	94.27%	200,952	\$18.08	\$624.52	\$87.89	\$101.63	\$4.04
Nov-97	\$3,765,580	\$1,038,271	27.57%	24.00%	\$2,727,309	72.43%	94.03%	203,966	\$18.46	\$692.18	\$88.87	\$105.30	\$4.18
Dec-97	\$3,772,766	\$1,027,462	27.23%	23.83%	\$2,745,304	72.77%	93.88%	189,892	\$19.87	\$684.97	\$89.45	\$105.50	\$4.19
Jan-98	\$4,246,352	\$1,272,740	29.97%	26.94%	\$2,973,612	70.03%	94.37%	217,775	\$19.50	\$848.49	\$96.89	\$118.75	\$4.72
Feb-98	\$4,651,659	\$1,262,668	27.14%	26.62%	\$3,388,991	72.86%	94.07%	241,509	\$19.26	\$841.78	\$110.43	\$130.08	\$5.17
Mar-98	\$4,783,352	\$1,092,021	22.83%	20.61%	\$3,691,332	77.17%	94.08%	252,086	\$18.98	\$728.01	\$120.28	\$133.76	\$5.31
Apr-98	\$4,603,408	\$1,033,841	22.46%	20.43%	\$3,569,568	77.54%	94.39%	247,686	\$18.59	\$689.23	\$116.31	\$128.73	\$5.11
May-98	\$4,954,417	\$1,209,144	24.41%	23.16%	\$3,745,274	75.59%	94.45%	254,657	\$19.46	\$806.10	\$122.04	\$138.55	\$5.50
Jun-98	\$4,676,735	\$1,084,150	23.18%	21.86%	\$3,592,585	76.82%	94.21%	244,697	\$19.11	\$722.77	\$117.06	\$130.78	\$5.20
TOTALS:	\$50,150,689	\$13,104,621	26.13%	23.76%	\$37,046,069	73.87%	94.18%	2,633,567	\$19.04	\$728.03	\$100.59	\$116.87	\$4.64

Kansas City Station Casino

General Manager: John Finamore
3200 North Station Drive
Kansas City, MO 64161
(816) 414-7000

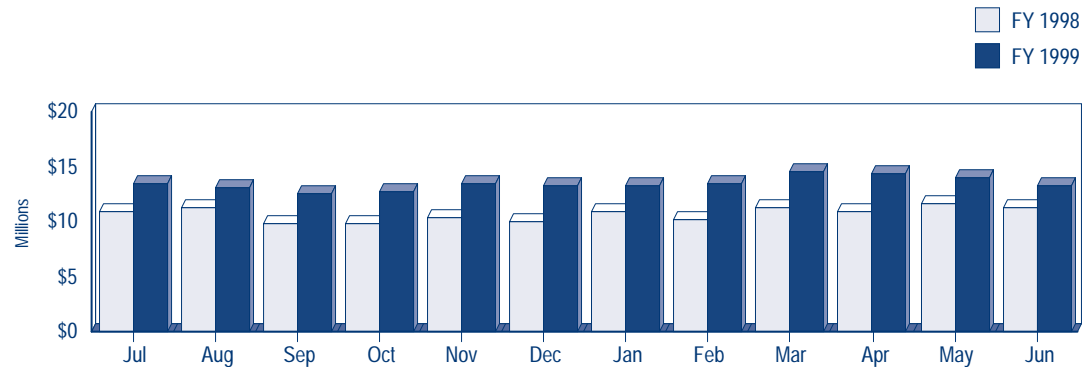
Date Licensed: January 16, 1997
Gaming Space: 140,000 Sq. Ft. (2 boats)
Gaming Positions: 3,785
Electronic Gaming Devices: 3,317
Table Games: 146
Restaurants: 11
Surface Parking
200 Room Hotel
Microbrewery
18 Screen Movie Theatre
Child Care Center
Live Theatre

Market Analysis

Kansas City Station posted substantially higher gaming revenue of \$162.7 million, a 26% increase over the prior fiscal year. The results reflect a 9% increase in admissions combined with a 16% increase in Win Per Admission (WPA). The increase in admissions was partly due to the Boyd closure. The increase in WPA reflects higher slot play per patron. Station's gaming revenue market share was 34% for the year, now just slightly behind Harrah's.

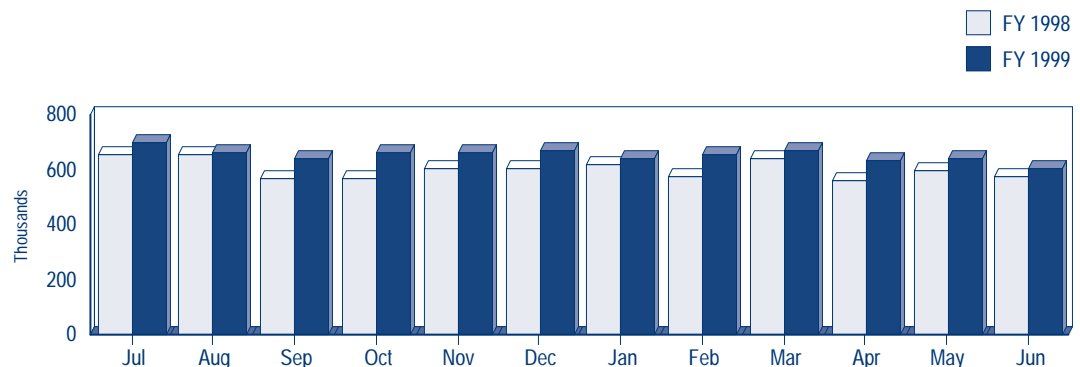
Monthly Gaming Revenue

Kansas City Station



Monthly Admissions

Kansas City Station



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$13,554,764	\$3,406,892	25.13%	23.54%	\$10,147,872	74.87%	94.28%	703,016	\$19.28	\$641.30	\$109.29	\$120.47	\$3.23
Aug-98	\$13,262,795	\$3,460,996	26.10%	25.21%	\$9,801,799	73.90%	94.34%	668,545	\$19.84	\$644.82	\$103.76	\$116.06	\$3.16
Sep-98	\$12,704,757	\$2,860,739	22.52%	21.91%	\$9,844,018	77.48%	94.25%	647,236	\$19.63	\$535.72	\$104.24	\$111.35	\$3.02
Oct-98	\$12,844,808	\$3,198,563	24.90%	22.00%	\$9,646,245	75.10%	94.54%	663,190	\$19.37	\$598.98	\$102.17	\$112.61	\$3.06
Nov-98	\$13,572,727	\$3,568,012	26.29%	25.12%	\$10,004,715	73.71%	94.36%	668,884	\$20.29	\$668.17	\$105.97	\$118.99	\$3.23
Dec-98	\$13,312,056	\$3,582,646	26.91%	24.77%	\$9,729,410	73.09%	94.37%	671,148	\$19.83	\$670.91	\$104.04	\$117.52	\$3.17
Jan-99	\$13,385,154	\$3,601,099	26.90%	25.69%	\$9,784,055	73.10%	94.51%	642,518	\$20.83	\$674.36	\$105.20	\$118.64	\$3.19
Feb-99	\$13,563,783	\$3,269,561	24.11%	24.09%	\$10,294,222	75.89%	94.35%	656,752	\$20.65	\$608.86	\$108.83	\$118.58	\$3.23
Mar-99	\$14,713,374	\$3,539,225	24.05%	24.13%	\$11,174,149	75.95%	94.09%	673,427	\$21.85	\$662.78	\$118.13	\$128.80	\$3.50
Apr-99	\$14,365,551	\$3,454,566	24.05%	23.92%	\$10,910,985	75.95%	94.06%	639,594	\$22.46	\$646.91	\$115.64	\$126.00	\$3.42
May-99	\$14,100,536	\$3,202,927	22.71%	22.62%	\$10,897,609	77.29%	94.14%	641,163	\$21.99	\$659.04	\$115.76	\$126.55	\$3.36
Jun-99	\$13,290,755	\$3,053,016	22.97%	24.08%	\$10,237,739	77.03%	94.20%	607,706	\$21.87	\$694.10	\$102.88	\$116.93	\$3.16
TOTALS:	\$162,671,061	\$40,198,242	24.71%	23.93%	\$122,472,819	75.29%	94.29%	7,883,179	\$20.64	\$642.16	\$107.99	\$119.38	\$3.23

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$10,983,402	\$3,372,698	30.71%	24.10%	\$7,610,704	69.29%	94.56%	660,157	\$16.64	\$635.16	\$79.80	\$98.07	\$2.62
Aug-97	\$11,288,784	\$3,272,515	28.99%	22.82%	\$8,016,269	71.01%	94.11%	657,021	\$17.18	\$616.29	\$84.05	\$100.80	\$2.69
Sep-97	\$9,949,432	\$3,020,963	30.36%	24.41%	\$6,928,469	69.64%	94.32%	569,006	\$17.49	\$568.92	\$72.65	\$88.84	\$2.37
Oct-97	\$9,944,523	\$2,971,019	29.88%	22.35%	\$6,973,504	70.12%	94.39%	572,990	\$17.36	\$559.51	\$73.12	\$88.80	\$2.37
Nov-97	\$10,424,935	\$2,885,779	27.68%	20.49%	\$7,539,156	72.32%	94.16%	604,106	\$17.26	\$543.46	\$79.05	\$93.09	\$2.48
Dec-97	\$10,163,754	\$3,157,255	31.06%	23.03%	\$7,006,499	68.94%	94.53%	607,013	\$16.74	\$594.59	\$73.47	\$90.76	\$2.42
Jan-98	\$11,040,810	\$3,750,738	33.97%	26.92%	\$7,290,072	66.03%	94.41%	622,878	\$17.73	\$706.35	\$76.44	\$98.59	\$2.63
Feb-98	\$10,310,045	\$3,123,263	30.29%	23.83%	\$7,186,782	69.71%	94.50%	581,682	\$17.72	\$588.19	\$75.36	\$92.06	\$2.45
Mar-98	\$11,413,261	\$3,301,380	28.93%	23.21%	\$8,111,881	71.07%	94.29%	642,420	\$17.77	\$621.73	\$85.06	\$101.91	\$2.72
Apr-98	\$10,966,630	\$2,982,811	27.20%	24.07%	\$7,983,819	72.80%	94.11%	561,898	\$19.52	\$561.73	\$83.71	\$97.93	\$2.61
May-98	\$11,791,961	\$2,909,777	24.68%	24.40%	\$8,882,184	75.32%	94.27%	601,679	\$19.60	\$547.98	\$93.13	\$105.29	\$2.81
Jun-98	\$11,279,965	\$2,892,310	25.64%	24.22%	\$8,387,655	74.36%	94.43%	576,401	\$19.57	\$544.69	\$87.95	\$100.72	\$2.69
TOTALS:	\$129,557,501	\$37,640,508	29.05%	23.63%	\$91,916,993	70.95%	94.34%	7,257,251	\$17.85	\$590.72	\$80.32	\$96.41	\$2.57

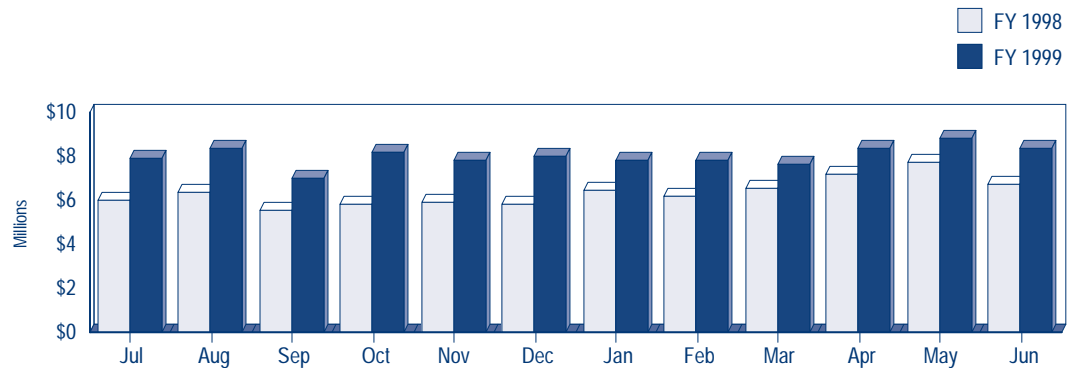
Players - Maryland Heights

General Manager: Larry Buck
777 Casino Center Drive, Ste. 1
Maryland Heights, MO 63143
(314) 209-3900

Date Licensed: March 11, 1997
Gaming Space: 52,000 Square Feet
Gaming Positions: 1,697
Electronic Gaming Devices: 1,586
Table Games: 48
Restaurants: 1
200 Room Hotel (Harrah's Operates)
Meeting Space
Surface and Garage Parking

Monthly Gaming Revenue

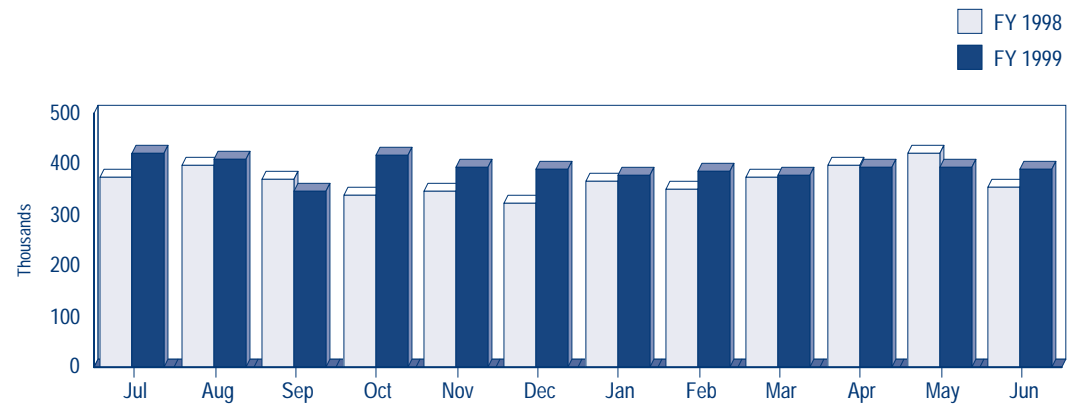
Players - Maryland Heights



Market Analysis

Players posted substantially higher gaming revenue of \$96.6 million, a 26% increase over the prior fiscal year. The results reflect a 6% increase in admissions combined with a 18% increase in Win Per Admission (WPA). The increase in WPA reflects higher slot play per patron. Note, Players recorded \$16.6 million less in gaming revenue than their joint venture partner, Harrah's. Their gaming revenue market share (Missouri boats only) was 25% for the year.

Monthly Admissions



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$7,922,534	\$1,989,597	25.11%	20.80%	\$5,932,937	74.89%	94.92%	423,330	\$18.71	\$934.08	\$147.37	\$165.04	\$5.08
Aug-98	\$8,366,289	\$2,179,156	26.05%	22.98%	\$6,187,133	73.95%	94.86%	410,871	\$20.36	\$1,023.08	\$153.66	\$174.11	\$5.36
Sep-98	\$7,024,081	\$1,712,271	24.38%	19.58%	\$5,311,810	75.62%	94.95%	347,351	\$20.22	\$803.88	\$131.91	\$145.19	\$4.50
Oct-98	\$8,270,303	\$1,919,210	23.21%	20.06%	\$6,351,094	76.79%	95.05%	420,611	\$19.66	\$954.83	\$151.94	\$169.77	\$5.30
Nov-98	\$7,821,657	\$1,737,638	22.22%	18.25%	\$6,084,020	77.78%	94.89%	393,799	\$19.86	\$965.35	\$148.68	\$167.39	\$5.01
Dec-98	\$8,064,026	\$1,835,215	22.76%	19.88%	\$6,228,811	77.24%	94.75%	393,558	\$20.49	\$1,015.57	\$152.66	\$172.83	\$5.17
Jan-99	\$7,865,347	\$1,835,114	23.33%	21.77%	\$6,030,233	76.67%	94.70%	379,513	\$20.72	\$1,019.51	\$144.34	\$165.50	\$5.04
Feb-99	\$7,880,756	\$1,450,845	18.41%	18.11%	\$6,429,911	81.59%	94.71%	389,504	\$20.23	\$806.03	\$150.71	\$163.17	\$5.05
Mar-99	\$7,721,126	\$1,275,841	16.52%	15.16%	\$6,445,285	83.48%	94.80%	379,219	\$20.36	\$708.80	\$147.35	\$156.69	\$4.95
Apr-99	\$8,394,305	\$1,388,503	16.54%	16.80%	\$7,005,802	83.46%	94.62%	393,917	\$21.31	\$963.38	\$156.94	\$173.86	\$5.38
May-99	\$8,836,130	\$1,671,009	18.91%	20.75%	\$7,165,121	81.09%	94.56%	394,608	\$22.39	\$1,158.61	\$152.97	\$177.48	\$5.66
Jun-99	\$8,416,752	\$1,319,152	15.67%	17.22%	\$7,097,600	84.33%	94.57%	390,239	\$21.57	\$916.08	\$149.17	\$165.29	\$5.40
TOTALS:	\$96,583,305	\$20,313,548	21.03%	19.36%	\$76,269,757	78.97%	94.78%	4,716,520	\$20.48	\$939.10	\$148.98	\$166.36	\$5.16

Fiscal Year Ended June 30, 1998

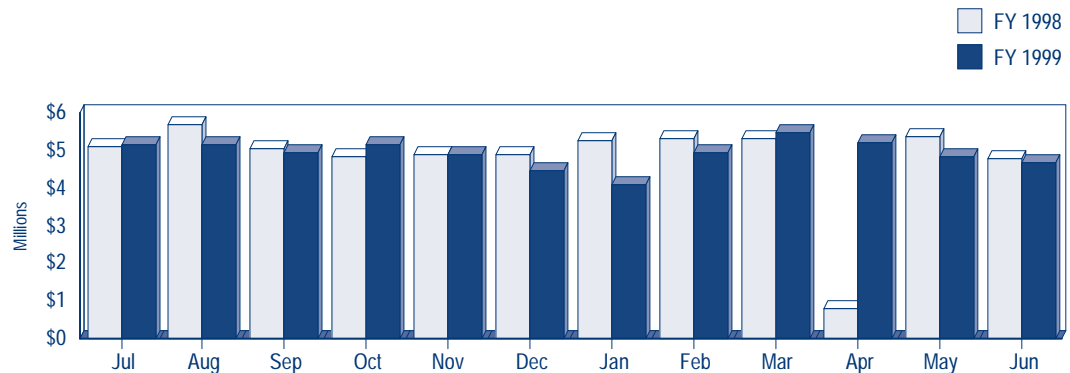
MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$6,088,579	\$1,848,083	30.35%	20.59%	\$4,240,496	69.65%	94.55%	376,485	\$16.17	\$789.78	\$107.08	\$125.05	\$3.90
Aug-97	\$6,419,243	\$2,003,909	31.22%	21.54%	\$4,415,334	68.78%	94.59%	399,781	\$16.06	\$856.37	\$111.50	\$131.84	\$4.11
Sep-97	\$5,576,981	\$1,749,815	31.38%	20.49%	\$3,827,166	68.62%	94.95%	373,895	\$14.92	\$747.78	\$96.65	\$114.54	\$3.57
Oct-97	\$5,834,061	\$1,829,506	31.36%	20.69%	\$4,004,555	68.64%	94.74%	340,185	\$17.15	\$781.84	\$101.13	\$119.82	\$3.74
Nov-97	\$5,928,377	\$1,847,133	31.16%	20.02%	\$4,081,243	68.84%	94.80%	349,887	\$16.94	\$789.37	\$103.06	\$121.76	\$3.80
Dec-97	\$5,836,346	\$2,111,984	36.19%	23.60%	\$3,724,363	63.81%	94.80%	322,982	\$18.07	\$902.56	\$94.05	\$119.87	\$3.74
Jan-98	\$6,504,912	\$2,148,542	33.03%	22.93%	\$4,356,370	66.97%	94.72%	367,531	\$17.70	\$918.18	\$110.01	\$133.60	\$4.17
Feb-98	\$6,230,163	\$1,906,659	30.60%	21.99%	\$4,323,505	69.40%	94.67%	350,941	\$17.75	\$814.81	\$109.18	\$127.96	\$3.99
Mar-98	\$6,606,368	\$1,744,233	26.40%	17.88%	\$4,862,135	73.60%	94.41%	377,119	\$17.52	\$745.40	\$122.78	\$135.68	\$4.23
Apr-98	\$7,254,280	\$1,990,427	27.44%	21.79%	\$5,263,853	72.56%	94.61%	399,660	\$18.15	\$850.61	\$132.93	\$148.99	\$4.65
May-98	\$7,762,803	\$1,940,308	24.99%	20.95%	\$5,822,496	75.01%	94.63%	422,245	\$18.38	\$829.19	\$147.03	\$159.43	\$4.98
Jun-98	\$6,749,154	\$1,836,821	27.22%	21.57%	\$4,912,333	72.78%	94.92%	354,630	\$19.03	\$784.97	\$124.05	\$138.61	\$4.33
TOTALS:	\$76,791,268	\$22,957,420	29.90%	21.15%	\$53,833,848	70.10%	94.69%	4,435,341	\$17.31	\$817.57	\$113.29	\$131.43	\$4.10

President Casino on the Admiral

General Manager: Jesus Aviles
800 N. First Street
St. Louis, MO 63102
(314) 622-3000

Date Licensed: May 27, 1994
Gaming Space: 58,000 Square Feet
Gaming Positions: 1,422
Electronic Gaming Devices: 1,230
Table Games: 59
Restaurants: 2
Garage Parking Nearby

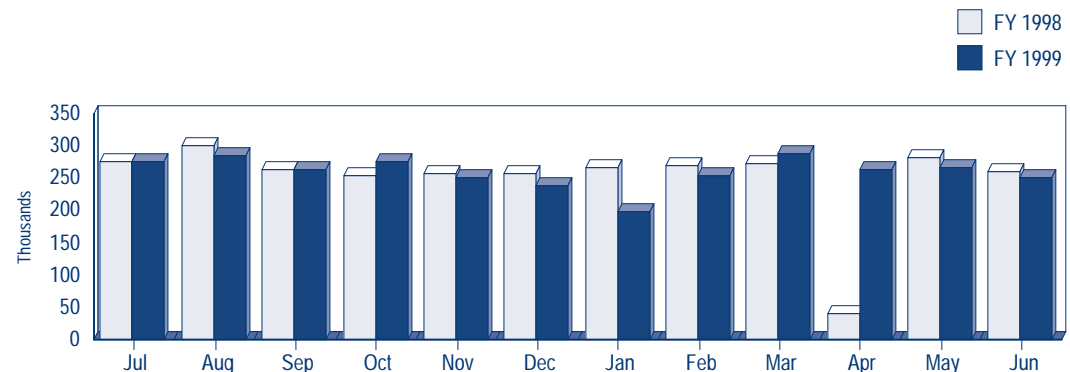
Monthly Gaming Revenue
President - St. Louis



Market Analysis

The President posted slightly higher gaming revenue of \$59.3 million, a 3% increase over the prior fiscal year. The results reflect a 4% increase in admissions offset by a 1% decline in Win Per Admission (WPA). The increase in admissions primarily reflect the favorable comparison with the prior year when the boat was closed for about a month due to the barge accident. The President's gaming revenue market share (Missouri boats only) was 16% for the year.

Monthly Admissions
President - St. Louis



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$5,186,535	\$891,644	17.19%	22.10%	\$4,294,891	82.81%	93.47%	277,237	\$18.71	\$521.43	\$115.36	\$121.18	\$2.98
Aug-98	\$5,174,338	\$934,227	18.05%	21.73%	\$4,240,112	81.95%	93.54%	286,795	\$18.04	\$541.62	\$114.81	\$122.51	\$2.97
Sep-98	\$4,952,838	\$892,331	18.02%	22.23%	\$4,060,508	81.98%	93.40%	264,356	\$18.74	\$487.61	\$109.68	\$115.00	\$2.85
Oct-98	\$5,173,323	\$936,149	18.10%	23.02%	\$4,237,175	81.90%	93.67%	276,333	\$18.72	\$503.31	\$114.43	\$119.70	\$2.97
Nov-98	\$4,913,112	\$918,358	18.69%	23.88%	\$3,994,755	81.31%	93.57%	252,855	\$19.43	\$493.74	\$107.89	\$113.68	\$2.82
Dec-98	\$4,489,568	\$833,221	18.56%	21.36%	\$3,656,347	81.44%	93.79%	240,059	\$18.70	\$447.97	\$100.35	\$105.24	\$2.58
Jan-99	\$4,135,919	\$798,322	19.30%	24.97%	\$3,337,598	80.70%	93.50%	200,608	\$20.62	\$466.86	\$90.44	\$97.63	\$2.38
Feb-99	\$4,945,989	\$970,705	19.63%	24.66%	\$3,975,283	80.37%	93.92%	254,626	\$19.42	\$521.89	\$107.73	\$114.73	\$2.84
Mar-99	\$5,519,591	\$1,176,711	21.32%	25.92%	\$4,342,880	78.68%	93.76%	288,955	\$19.10	\$622.60	\$117.69	\$127.59	\$3.17
Apr-99	\$5,211,980	\$929,983	17.84%	22.52%	\$4,281,997	82.16%	93.52%	263,715	\$19.76	\$492.06	\$116.04	\$120.48	\$3.00
May-99	\$4,865,065	\$881,760	18.12%	21.99%	\$3,983,305	81.88%	93.87%	268,419	\$18.12	\$466.54	\$107.95	\$112.46	\$2.80
Jun-99	\$4,684,838	\$908,687	19.40%	25.48%	\$3,776,151	80.60%	93.76%	251,711	\$18.61	\$513.32	\$102.33	\$109.82	\$2.69
TOTALS:	\$59,253,097	\$11,072,096	18.69%	23.29%	\$48,181,001	81.31%	93.65%	3,125,669	\$18.96	\$506.58	\$108.73	\$115.00	\$2.84

Fiscal Year Ended June 30, 1998

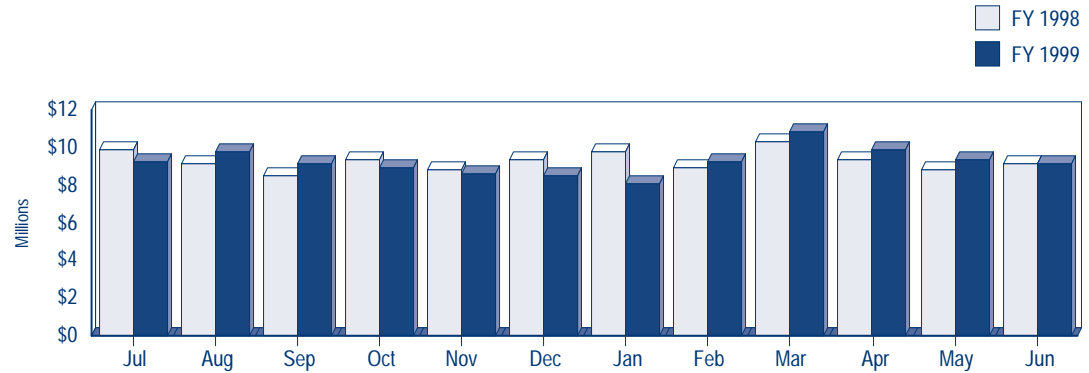
MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$5,132,165	\$823,627	16.05%	17.93%	\$4,308,539	83.95%	93.29%	277,228	\$18.51	\$435.78	\$122.12	\$122.54	\$2.95
Aug-97	\$5,711,508	\$1,080,030	18.91%	22.60%	\$4,631,478	81.09%	93.40%	300,924	\$18.98	\$571.44	\$131.28	\$136.38	\$3.28
Sep-97	\$5,053,985	\$1,021,703	20.22%	23.35%	\$4,032,282	79.78%	93.59%	263,434	\$19.19	\$540.58	\$114.29	\$120.68	\$2.90
Oct-97	\$4,872,807	\$988,396	20.28%	23.28%	\$3,884,411	79.72%	93.75%	255,584	\$19.07	\$522.96	\$110.10	\$116.35	\$2.80
Nov-97	\$4,932,904	\$940,015	19.06%	21.72%	\$3,992,889	80.94%	93.74%	258,665	\$19.07	\$497.36	\$113.18	\$117.79	\$2.84
Dec-97	\$4,925,853	\$1,036,416	21.04%	23.16%	\$3,889,437	78.96%	93.76%	259,349	\$18.99	\$548.37	\$110.24	\$117.62	\$2.83
Jan-98	\$5,265,652	\$925,608	17.58%	21.90%	\$4,340,045	82.42%	93.47%	267,532	\$19.68	\$489.74	\$123.02	\$125.73	\$3.03
Feb-98	\$5,319,507	\$875,276	16.45%	20.82%	\$4,444,231	83.55%	93.68%	271,122	\$19.62	\$463.11	\$125.97	\$127.02	\$3.06
Mar-98	\$5,351,934	\$1,034,547	19.33%	22.98%	\$4,317,386	80.67%	93.60%	275,157	\$19.45	\$547.38	\$122.37	\$127.79	\$3.08
Apr-98**	\$827,652	\$151,080	18.25%	24.40%	\$676,572	81.75%	93.78%	41,738	\$19.83	\$599.52	\$143.83	\$148.22	\$3.57
May-98	\$5,380,373	\$1,009,894	18.77%	24.62%	\$4,370,479	81.23%	93.74%	284,019	\$18.94	\$534.34	\$123.88	\$128.47	\$3.09
Jun-98	\$4,815,607	\$796,261	16.53%	20.74%	\$4,019,346	83.47%	93.86%	260,314	\$18.50	\$421.30	\$113.93	\$114.99	\$2.77
TOTALS:	\$57,589,946	\$10,682,850	18.55%	22.12%	\$46,907,097	81.45%	93.63%	3,015,066	\$19.10	\$514.32	\$121.18	\$125.30	\$3.02

St. Charles Riverfront Station

General Manager: Tony Raymon
1260 South Main Street
St.Charles, MO 63301
(314) 940-3400

Date Licensed: May 27, 1994
Gaming Space: 47,000 Square Feet
Two Casinos
Gaming Positions: 2,107
Electronic Gaming Devices: 1,986
Table Games: 62
Restaurants: 2 (full service) 2 (fast)
Garage and Surface Parking

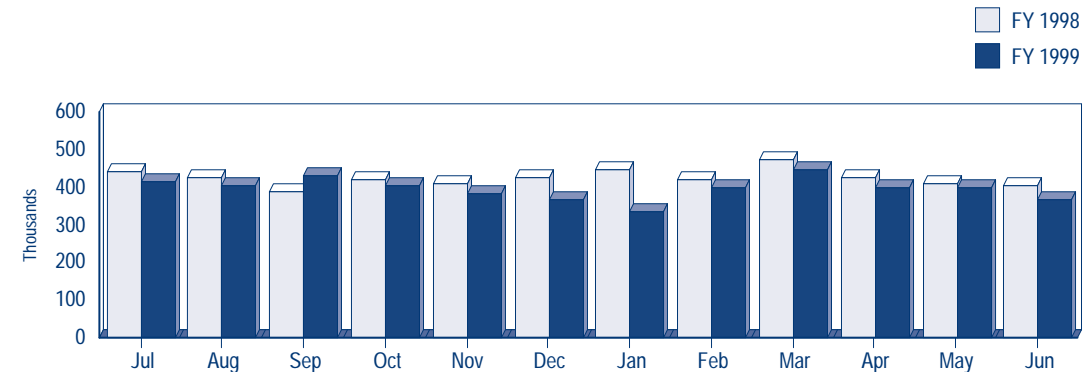
Monthly Gaming Revenue
St. Charles Riverfront Station



Market Analysis

St. Charles Station posted flat gaming revenue of \$111.4 million, now second to Harrah's in the St. Louis market (Missouri boats only). The results reflect a 7% decrease in admissions offset by a 7% increase in Win Per Admission (WPA). The decline in admissions primarily reflect the loss of market share to Riverport. The increase in WPA reflects more slot play per patron and a higher slot hold percentage. Station's gaming revenue market share (Missouri boats only) was 29% for the year.

Monthly Admissions
St. Charles Riverfront Station



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$9,310,587	\$1,883,406	20.23%	23.34%	\$7,427,181	79.77%	94.42%	418,832	\$22.23	\$738.59	\$133.61	\$145.18	\$6.60
Aug-98	\$9,845,100	\$1,504,620	15.28%	20.64%	\$8,340,480	84.72%	93.68%	408,817	\$24.08	\$604.27	\$150.77	\$145.25	\$6.98
Sep-98	\$9,184,689	\$1,591,794	17.33%	21.81%	\$7,592,895	82.67%	94.37%	433,431	\$21.19	\$624.23	\$146.68	\$142.56	\$6.51
Oct-98	\$8,988,312	\$1,529,752	17.02%	19.47%	\$7,458,560	82.98%	94.42%	405,610	\$22.16	\$599.90	\$144.04	\$139.33	\$6.37
Nov-98	\$8,617,352	\$1,488,522	17.27%	19.14%	\$7,128,830	82.73%	94.33%	383,632	\$22.46	\$583.73	\$136.62	\$132.42	\$6.11
Dec-98	\$8,552,519	\$1,803,133	21.08%	22.58%	\$6,749,385	78.92%	94.56%	371,223	\$23.04	\$780.58	\$123.27	\$136.89	\$6.07
Jan-99	\$8,156,331	\$1,770,482	21.71%	25.55%	\$6,385,849	78.29%	94.54%	339,317	\$24.04	\$694.31	\$116.47	\$125.92	\$5.78
Feb-99	\$9,287,285	\$1,789,269	19.27%	22.10%	\$7,498,017	80.73%	94.10%	398,276	\$23.32	\$784.77	\$134.37	\$148.19	\$6.59
Mar-99	\$10,937,964	\$2,319,661	21.21%	27.48%	\$8,618,302	78.79%	94.20%	450,682	\$24.27	\$1,310.54	\$149.94	\$178.34	\$7.76
Apr-99	\$9,958,115	\$1,960,348	19.69%	25.51%	\$7,997,767	80.31%	94.14%	401,304	\$24.81	\$960.95	\$134.03	\$154.02	\$7.06
May-99	\$9,352,472	\$1,708,083	18.26%	23.35%	\$7,644,389	81.74%	94.25%	399,687	\$23.40	\$849.79	\$128.50	\$145.36	\$6.63
Jun-99	\$9,189,168	\$1,666,667	18.14%	24.87%	\$7,522,501	81.86%	93.81%	368,705	\$24.92	\$896.06	\$126.26	\$145.35	\$6.52
TOTALS:	\$111,379,893	\$21,015,736	18.87%	23.06%	\$90,364,157	81.13%	94.23%	4,779,516	\$23.30	\$785.64	\$135.38	\$144.90	\$6.58

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$9,922,829	\$1,843,746	18.58%	23.10%	\$8,079,083	81.42%	94.48%	440,781	\$22.51	\$675.36	\$144.79	\$152.07	\$7.04
Aug-97	\$9,136,613	\$1,670,264	18.28%	20.94%	\$7,466,349	81.72%	94.69%	426,278	\$21.43	\$611.82	\$133.81	\$140.02	\$6.48
Sep-97	\$8,529,144	\$1,591,651	18.66%	21.17%	\$6,937,493	81.34%	94.35%	387,718	\$22.00	\$583.02	\$124.33	\$130.71	\$6.05
Oct-97	\$9,345,420	\$1,899,191	20.32%	23.10%	\$7,446,229	79.68%	94.28%	424,691	\$22.01	\$695.67	\$133.44	\$143.22	\$6.63
Nov-97	\$8,843,617	\$1,766,337	19.97%	22.61%	\$7,077,280	80.03%	94.45%	412,271	\$21.45	\$647.01	\$126.83	\$135.53	\$6.27
Dec-97	\$9,401,675	\$2,119,430	22.54%	24.79%	\$7,282,246	77.46%	94.54%	427,341	\$22.00	\$776.35	\$130.51	\$144.09	\$6.67
Jan-98	\$9,809,703	\$1,806,609	18.42%	22.17%	\$8,003,094	81.58%	94.30%	450,238	\$21.79	\$661.76	\$143.42	\$150.34	\$6.96
Feb-98	\$8,928,201	\$1,604,720	17.97%	20.32%	\$7,323,482	82.03%	94.51%	422,345	\$21.14	\$587.81	\$131.25	\$136.83	\$6.33
Mar-98	\$10,326,907	\$1,792,751	17.36%	20.50%	\$8,534,156	82.64%	94.24%	477,427	\$21.63	\$656.69	\$152.94	\$158.27	\$7.32
Apr-98	\$9,442,214	\$1,714,136	18.15%	22.15%	\$7,728,079	81.85%	94.21%	426,169	\$22.16	\$627.89	\$138.50	\$144.71	\$6.70
May-98	\$8,914,020	\$1,410,039	15.82%	18.52%	\$7,503,981	84.18%	94.34%	411,586	\$21.66	\$516.50	\$134.48	\$136.61	\$6.32
Jun-98	\$9,149,849	\$1,699,066	18.57%	23.37%	\$7,450,784	81.43%	94.30%	406,662	\$22.50	\$622.37	\$133.53	\$140.23	\$6.49
TOTALS:	\$111,750,192	\$20,917,937	18.72%	21.91%	\$90,832,255	81.28%	94.39%	5,113,507	\$21.85	\$638.52	\$135.65	\$142.72	\$6.60

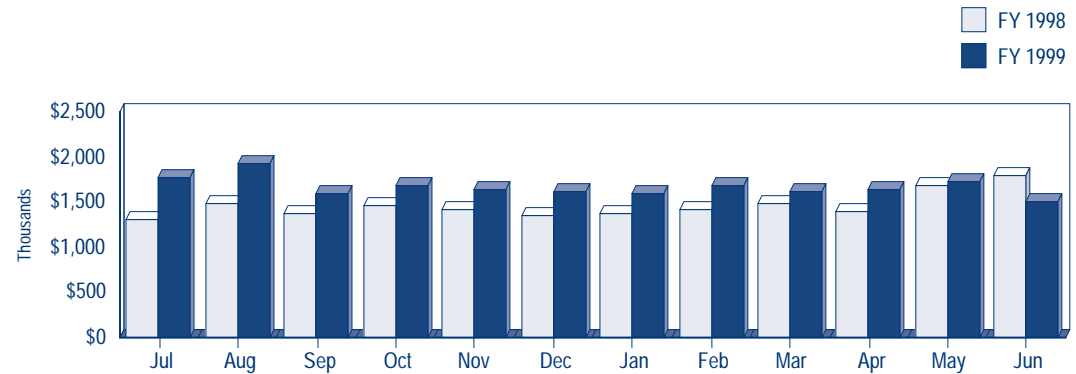
St. Jo Frontier Casino II

General Manager: Gary Voss
777 Winners Circle
St. Joseph, MO 64505
(816) 279-5514

Date Licensed: June 24, 1994
Gaming Space: 18,000 Square Feet
Gaming Positions: 519
Electronic Gaming Devices: 466
Table Games: 18
Restaurants: 2
Surface Parking
Meeting Space

Monthly Gaming Revenue

St. Jo Frontier Casino

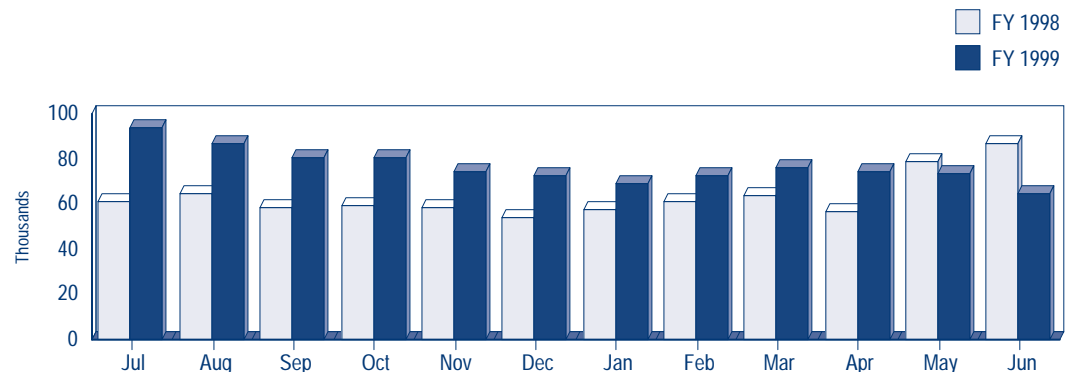


Market Analysis

St. Jo posted gaming revenue of \$20.1 million, a 14% increase over the prior fiscal year. The results reflect a 21% increase in admissions offset by a 6% decline in Win Per Admission (WPA). The increase in admissions reflects the benefits of their \$9.7 million facility expansion. The decrease in WPA is typical for an expansion period where admissions increase sharply.

Monthly Admissions

St. Jo Frontier Casino



Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-98	\$1,773,893	\$332,701	18.76%	18.03%	\$1,441,192	81.24%	92.47%	94,519	\$18.77	\$504.09	\$82.12	\$91.46	\$5.38
Aug-98	\$1,933,039	\$408,504	21.13%	23.98%	\$1,524,535	78.87%	91.96%	87,529	\$22.08	\$716.67	\$86.87	\$102.03	\$5.86
Sep-98	\$1,604,570	\$272,980	17.01%	17.07%	\$1,331,591	82.99%	92.78%	80,810	\$19.86	\$478.91	\$75.87	\$84.70	\$4.86
Oct-98	\$1,685,867	\$348,543	20.67%	20.18%	\$1,337,324	79.33%	93.16%	81,172	\$20.77	\$611.48	\$76.20	\$88.99	\$5.11
Nov-98	\$1,650,003	\$416,540	25.24%	26.19%	\$1,233,463	74.76%	93.25%	74,438	\$22.17	\$730.77	\$70.28	\$87.09	\$5.00
Dec-98	\$1,632,385	\$308,370	18.89%	19.16%	\$1,324,016	81.11%	92.89%	72,717	\$22.45	\$541.00	\$75.44	\$86.16	\$4.95
Jan-99	\$1,613,298	\$338,136	20.96%	23.46%	\$1,275,163	79.04%	92.87%	69,604	\$23.18	\$593.22	\$72.66	\$85.16	\$4.89
Feb-99	\$1,695,807	\$384,895	22.70%	27.17%	\$1,310,912	77.30%	93.08%	73,148	\$23.18	\$712.80	\$74.70	\$90.23	\$5.14
Mar-99	\$1,617,739	\$327,254	20.23%	21.43%	\$1,290,485	79.77%	93.80%	76,762	\$21.07	\$606.03	\$75.60	\$88.10	\$4.90
Apr-99	\$1,652,604	\$334,409	20.24%	22.92%	\$1,318,195	79.76%	93.57%	74,447	\$22.20	\$619.28	\$77.22	\$90.00	\$5.01
May-99	\$1,741,263	\$406,276	23.33%	29.07%	\$1,334,988	76.67%	93.45%	74,021	\$23.52	\$752.36	\$78.21	\$94.82	\$5.28
Jun-99	\$1,504,771	\$326,691	21.71%	25.65%	\$1,178,080	78.29%	93.52%	65,133	\$23.10	\$604.98	\$84.27	\$96.57	\$4.56
TOTALS:	\$20,105,239	\$4,205,295	20.92%	22.62%	\$15,899,944	79.08%	93.08%	924,300	\$21.75	\$622.63	\$77.45	\$90.44	\$5.08

Fiscal Year Ended June 30, 1998

MONTH	TOTAL AGR	TABLE AGR	TABLE % OF TOTAL AGR	TABLE WIN %	SLOT AGR	SLOT % OF TOTAL AGR	SLOT PAYOUT %	ADMISSIONS	WIN PER ADMISSION	DAILY WIN PER TABLE	DAILY WIN PER SLOT	DAILY WIN PER POSITION	DAILY WIN PER SQ FOOT
Jul-97	\$1,318,735	\$324,252	24.59%	27.03%	\$994,483	75.41%	93.49%	61,285	\$21.52	\$600.47	\$92.08	\$106.44	\$4.00
Aug-97	\$1,486,355	\$371,991	25.03%	30.19%	\$1,114,364	74.97%	93.27%	65,351	\$22.74	\$688.87	\$103.18	\$119.96	\$4.50
Sep-97	\$1,372,696	\$330,693	24.09%	27.91%	\$1,042,004	75.91%	93.35%	58,495	\$23.47	\$612.39	\$96.48	\$110.79	\$4.16
Oct-97	\$1,462,508	\$362,143	24.76%	27.86%	\$1,100,366	75.24%	92.79%	59,422	\$24.61	\$670.63	\$101.89	\$118.04	\$4.43
Nov-97	\$1,435,016	\$362,203	25.24%	28.40%	\$1,072,813	74.76%	93.22%	58,826	\$24.39	\$670.75	\$99.33	\$115.82	\$4.35
Dec-97	\$1,351,348	\$368,395	27.26%	28.49%	\$982,954	72.74%	93.37%	54,451	\$24.82	\$682.21	\$91.01	\$109.07	\$4.09
Jan-98	\$1,388,449	\$404,238	29.11%	30.75%	\$984,211	70.89%	93.69%	57,603	\$24.10	\$748.59	\$91.13	\$112.06	\$4.21
Feb-98	\$1,435,788	\$357,111	24.87%	26.26%	\$1,078,677	75.13%	93.59%	61,410	\$23.38	\$661.32	\$99.88	\$115.88	\$4.35
Mar-98	\$1,494,734	\$349,298	23.37%	24.14%	\$1,145,436	76.63%	93.32%	63,769	\$23.44	\$646.85	\$106.06	\$120.64	\$4.53
Apr-98	\$1,411,139	\$279,794	19.83%	22.71%	\$1,131,346	80.17%	92.70%	57,076	\$24.72	\$518.14	\$104.75	\$113.89	\$4.28
May-98**	\$1,687,179	\$356,888	21.15%	24.04%	\$1,330,291	78.85%	93.21%	79,220	\$21.30	\$660.90	\$123.18	\$136.17	\$5.11
Jun-98	\$1,813,809	\$442,568	24.40%	24.95%	\$1,371,241	75.60%	92.25%	86,755	\$20.91	\$819.57	\$126.97	\$146.39	\$5.50
TOTALS:	\$17,657,756	\$4,309,571	24.41%	26.77%	\$13,348,185	75.59%	93.18%	763,663	\$23.12	\$665.06	\$103.00	\$118.76	\$4.46

Home Dock Communities' Use of Gaming Funds

POSITIVE IMPACT ON RURAL COMMUNITY.

When the Issue of Riverboat Gaming was introduced to the voters of The City of Caruthersville the realities of the Project were not based on moral issues but on economic concerns. At the time of the elections for the passage of legalized Riverboat gaming, the Brown Shoe Factory was closing with over 500 people losing their jobs, and the Caruthersville Shipyard was closing with over 400 employment.

The vision of over 400 good paying jobs and of Revenue for The City of Caruthersville, and increased Economic Growth, was a driving force for the passage of Riverboat Gaming in Caruthersville.

The City of Caruthersville has 7,958 residents making up approximately one-third of the population of Pemiscot County. In 1994 the Pemiscot County unemployment rate was 15.6%. As of March 1st, 1998 it was down to 8.1%. This clearly shows that more people are working and providing a better way of life for their families.

The results of this prosperity for Caruthersville are evident when you visit the City. With a \$3 Million Dollar initial Development Agreement with the City to rebuild two major streets with improved drainage, lighting, and street scape design. With an additional \$3 Million for the first 3 years of operation of Casino Aztar the City used the funds for Recreation, Streets, Public Safety, and Infrastructure Projects within the City. This does not include \$3.3 Million that has been received from State Gaming Fees.

The City has invested this money into:

- Improved City Streets;
- Parks and Recreation Equipment;
- A New Sports Complex, Scholarship Program;

- Improved Water and Wastewater Systems;
- Fire Truck, Police Cars, Sanitation Equipment;
- Construction Equipment;
- Riverfront loan program for building improvements, and many other projects.

Along with the Casino Operations we have seen new Retail Business Growth with more employment. We have had a new Motel built that is now allowing our Tourism Tax Fund to grow and that additional money is being used for Billboards, Banners and Brochures to further promote the City of Caruthersville.

The City now has the Funds available to work on Industrial Growth. We now have a new Factory moving into the City with as additional 65 Employees to be hired. We now have additional funds to continue to develop our Industrial Park for future Industrial expansion.

It is clearly evident that Casino Gaming has had a significant and positive impact on The City of Caruthersville, and the working relationship between the City and Casino Aztar has been a perfect marriage for the betterment of Quality of Life for the Citizens of Caruthersville and also for Pemiscot County.

SOURCE: City of Caruthersville

City of Kansas City, Missouri

Deferred Maintenance and Year 2000 Compliance	Adopted 1999-00
Police Department	
Public Safety Radio Improvements	1,600,000
Fire Department	
Fire Apparatus and Equipment Replacement	1,785,000
Convention and Entertainment Centers	
ARC Storage Facility	204,000
Finance Department	
Payroll System Hardware	170,000
Information Technology Department	
Y2K Compliant Hardware/Software	117,919
Neighborhood and Community Services	
Equipment Purchases	315,000
Parks and Recreation Department	
Y2K Compliant Equipment Improvements	45,300
Equipment Replacement	745,500
Street Tree Trimming	<u>500,000</u>
Subtotal:	1,290,800
Environmental Management	
Solid Waste Fleet Replacement	500,000
Department of Public Works	
Traffic Signals Y2K Upgrade	94,125
Equipment and Software Upgrades (Y2K)	57,000
Equipment Replacement	2,851,050
Street Sweepers Lease Payments	<u>482,136</u>
Subtotal:	3,484,311
Total Deferred Maintenance and Y2K Compliance:	\$ 9,467,030

Gaming Fund Capital Improvements	1999-00
Roadways	
Street Preservation	72,250
Traffic Signal Controller Replacement	250,000
Boulevard Reconstruction	<u>800,000</u>
Subtotal:	1,122,250
Walkways	
City Owned Curbs & Sidewalks	100,000
Citywide Sidewalks - Non Assessable	700,000
Pedestrian Signal Compliance	<u>332,000</u>
Subtotal:	1,132,000
Public Buildings	
Kansas City Zoo Buildings and Grounds	430,000
Municipal Service Center	1,401,330
Public Safety Radio Improvements	<u>700,000</u>
Subtotal:	2,531,330
Economic Development	
City Market Improvements	598,670
Drainage and Flood Control	
Blue River Flood Control Improvements	3,345,750
Capital Improvements Total:	\$ 8,730,000
Total Gaming Funds Allocated:	\$ 18,197,030

SOURCE: City of Kansas City, Missouri

CITY OF MARYLAND HEIGHTS

			Capital Projects	
Earth City Expressway Funding Street slab replacement program Police department expanded operations Reserve Fund Finance department Public Relations Staff Planning Staff Convention /Tourism contract	City of Maryland Heights Use of Gaming Revenues		Smiley Road Upgrade	950,000
	4,200,000	Annually	Fee Fee Road Widening near Westport	826,100
	1,000,000	Annually	Fee Fee Road Improvement near Midland	1,200,000
	1,000,000	Annually	Edgeworth Roadway Improvements Engineering	130,000
	700,000	Annually	Ameling Bridge Replacement	327,000
	80,000	Annually	Public Works Facility Acquisition	440,000
	40,000	Annually	Eldon/Hathaway Roadway Improvement	225,000
	40,000	Annually	Midland Ave Upgrade - Engineering	137,000
	75,000	Annually	Millwell Drive Extension	620,000
			1999 Total	\$11,990,100

SOURCE: City of Maryland Heights

CITY OF NORTH KANSAS CITY

Trf to Utilities	\$85,832	Know Water Main Replacement - Wiedenmann	\$55,000
Water System Improvements Layne Western	\$13,234	Iron/Jasper/Clark - Water Main Replacement	\$199,158
18th @ Swift Parking Lot	\$16,441	Dagg Park Fence/Lighting	\$60,622
Fuel Tank Removal	\$13,190	Sewer Main Camera	\$8,545
Demolition Contracts Deco	\$781,988	Storm Drainage/Erie - Fayette-26th	\$555,740
Community Center Design	\$285,436	Relling San Swers 26-28 Howell	\$938,985
Community Activity Center	\$1,055,048	Street Barn Reroof	\$195,801
Curb/Sidewalk Installation	\$14,822	Bedford Station Rebuild	\$402,364
Replace Sidewalks	\$21,420	Grocery Store	\$159,169
Downtown Light/Sidewalk Paving	\$1,906,152	Library Addition	\$49,167
Iron Street Water Main Replacement	\$117,801	Fire Station Training Room	\$16,426
Caboose Park	\$32,717	Bullet Proof Vests	\$12,500
Chouteau Double Sided Sign	\$2,200	Police Garage	\$19,967
Reservoir Water Main Repair	\$17,910	Recycling Equipment	\$12,456
Bud Keckler/Carol Estes	\$33,668	Reader Board	\$2,560
Downtown Beautification	\$18,656	Emergency Well Head Operation	\$22,976
26th Street Station Improvement	\$103,615	Snake Saturday Parade	\$49,785
I-35/210 Ramp Signal	\$1,044	Barbeque/Funfest	\$6,851
Aerial Ladder Truck	\$669,226	Festival Shelter at Park	\$100,000
Parking Lot Resurfacing Urdike Paving Corp.	\$53,689	Cerner Sidewalk	\$16,286
SUB-TOTAL	\$5,244,089	TOTAL	\$8,128,447

SOURCE: City of North Kansas City

City of Riverside

Argosy Casino has fulfilled all of the terms of its original agreement with the City of Riverside including payments of \$5,000,000 in advance rent and a \$1,000,000 grant for the construction of a city park. The original agreement also provided for a \$600,000 grant for the construction of a nine hole golf course. This portion of the agreement was mutually terminated and the money was returned to the Missouri Gaming Company.

The following outlines city projects that have already been completed through the use of riverboat gaming funds:

- An overall Master Plan for development of the City
 - A Master Plan for development of the new city park
 - Riverbank stabilization and improvements to Renner-Brenner Historical Site Park
 - \$3 million for the construction of a Community Center and swimming pool, which opened May 30, 1998
 - \$1 million for the construction of a Public Works Maintenance Building to house the Street Department
 - Creation of a Public Works Department
 - \$1.3 million used to retire outstanding sanitary sewer bonds
 - \$5.3 million committed to construction of the L-385 flood protection levee
 - \$250,000 for purchase of a new fire truck and upgrading existing fire equipment
 - \$3 million for construction of E.H. Young Riverfront Park to be open in September 1998
 - \$3 million committed to major street widening, bridge replacement, two intersection replacements and improvement of NW Gateway Street
 - \$3 million in street projects already completed or to be completed in Fall, 1998
 - \$3 million in street projects to begin June 1998 and to be completed by May 1999
- \$1.5 million committed to building a new post office facility
 - \$3.5 million committed to the design and construction of a new City Hall facility
 - A \$150,000 payment from Argosy Casino, along with a \$150,000 payment from the City of Riverside, to Platte County to retire outstanding bonds on Platte Purchase Bridge to allow MoDOT to accept the bridge into their system so that \$7 million in deck repairs and painting could be completed which allowed the bridge to remain open
 - \$75,000 paid into Compulsive Gamblers Fund
 - Contracts have been awarded to three engineering firms to design and complete street projects for the remainder of the city streets in Riverside.

SOURCE: City of Riverside

City of St. Charles

<u>DESCRIPTION</u>	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>DESCRIPTION</u>	<u>FY 98-99</u>	<u>FY 99-00</u>
<u>Stormwater Projects:</u>			<u>Parks:</u>		
Debt Service - Stormwater Bonds	\$847,000	\$855,000	Eco-Park Projects	\$300,000	
Miscellaneous Stormwater Projects	\$798,000	\$455,400	Shafer Park Improvements	\$50,000	\$30,000
Jet Rodder/Catch Basin Cleaner		\$95,000	Soccer Fields - Wapelhorst Park	\$150,000	
Engineering	\$154,000		Land Acquisition		\$621,000
<u>Street Projects:</u>			<u>Tourism:</u>		
Street Surface Repairs	\$80,000		Carpet Replacement	\$35,000	
Alley Maintenance	\$70,000		Goldenrod Mooring Project	\$480,000	
Fox Hill Project		\$399,000			
I-70/Hawksnest Overpass	\$1,700,000	\$300,000	<u>Economic Development/Redevelopment:</u>		
Pralle Rd. Reconstruction - Eng	\$150,000	\$1,350,000	Economic Development Fund	\$338,000	\$305,400
<u>Building Maintenance:</u>			Arena Project	\$300,000	\$300,000
City Hall Interior & Exterior Renovations	\$30,000	\$29,000			
Exterior Facelift - City Hall Building		\$100,000	<u>Water:</u>		
<u>Police Department:</u>			<u>Water Pollution Control:</u>		
Personnel Costs	\$559,500	\$373,000	Debt Service - Sewer Bonds	\$700,000	\$600,000
Radio System Replacement		\$93,000			
Expand Police Facility		\$130,000			
			TOTAL	\$11,090,900	\$9,158,800

SOURCE: City of St. Charles

City of St. Joseph

	FY95	FY96	FY97	FY98	FY99
Festival/Celebrations	\$15,000	\$30,000	\$65,000		
Public Safety					
Police Vest/Radar Training	\$27,500	\$66,013	\$25,277	\$27,055	
Police Cars		\$550,923	\$401,499	\$296,558	
Downtown Cleanup Program		\$11,000	\$118,930	\$91,942	
Infrastructure					
City Hall Renovation		\$9,540			
Civic Center Electric/Balustrade Renovation		\$28,000			\$39,029
Parking Lot Repairs	\$67,000				
Downtown Sidewalks			\$102,772	\$14,513	
Riverfront Park	\$161,191				
Recreational Complex		\$288,500			
Francis Street Improvements		\$302,656	\$18,841		
Mcarthur Drive Improvements			\$48,741	\$575,189	\$3,763
Projects For Better Neighborhoods			\$7,500	\$39,549	\$8,030
Legal Claims	\$312,500				
Professional Services					
Chamber Marketing Programs		\$2,500		\$25,000	\$20,000
Vehicles Equipment		\$6,763	\$5,088	\$4,619	
All American Cities			\$10,000		\$365,700
Community Intervention Program					\$280,000
Computer Network					\$28,000
City Employee Wellness Program					\$78,000
Communication Center Computer Upgrade					\$5,000
Fourth Mayors Summit					
Totals:	\$583,191	\$1,295,895	\$813,648	\$1,074,425	\$827,522

SOURCE: City of St. Joseph

CITY OF ST. LOUIS

2% AGR Tax: Allocated to support police patrols, fire marine unit supplies and conduct public safety related capital improvements on the riverfront

Admission Fee: Allocated to the City's Capital Fund. These funds are budgeted each year for items such as arterial street paving, bridge repair, rolling stock replacement, public building improvements, etc.

Port Authority Lease (2% of AGR): In addition to gaming taxes, this revenue is in the form of a lease payment paid to the Port Authority. These funds are generally appropriated for for furthering housing and economic development efforts of the St. Louis Development Corporation (SLDC).

	FY96	FY97	FY98	FY99b	FY00b
Public Safety					
Riverfront Street Lighting Improvements	0	600,000	300,000	260,000	300,000
Riverfront Street Improvements	1,202,777	600,000	325,000	260,000	300,000
Police Patrols	631,876	618,692	527,185	497,721	497,721
Fire Department Marine Unit Supplies	450	34,033	13,308	25,000	25,000
Compulsive Gamblers' Fund	50,000	0	25,000	25,000	25,000
Subtotal	1,885,103	1,852,725	1,190,493	1,067,721	1,147,721
Capital Improvements					
Capital Fund Contribution	6,778,000	3,000,000	2,800,000	2,800,000	3,000,000
Subtotal	6,778,000	3,000,000	2,800,000	2,800,000	3,000,000
Economic Development					
SLDC Economic Development	2,440,487	252,269	140,000	1,200,000	1,200,000
SLDC Housing Programs	0	1,000,000	1,000,000	0	0
Subtotal	2,440,487	1,252,269	1,140,000	1,200,000	1,200,000
Total	\$11,103,590	\$6,104,994	\$5,130,493	\$5,067,721	\$5,347,721

Note: FY96 was first year in which revenues from gaming were appropriated and includes cumulative revenues from FY95.

SOURCE: City of St. Louis